

# Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

Paris, Saturday-Sunday, February 18-19, 1995

No. 34,828

## A Stern Mandela Calls For an End to Anarchy

### He Scolds Those Seeking Handouts, Saying He Has No 'Bag Full of Money'

By Paul Taylor  
Washington Post Service

JOHANNESBURG — Sounding more like a disciplinarian than a politician, President Nelson Mandela lashed out Friday at anarchy, corruption, crime, rent boycotts, illegal squatting and illegal strikes during a strongly worded state-of-the-nation address in Cape Town.

In addition to scolding those who subscribe to a "culture of entitlement" and who "misread freedom to mean license," Mr. Mandela warned his constituents not to expect too many material benefits from his nine-month-old administration.

"All of us," he said, must "rid ourselves of the wrong notion that government has a big bag full of money."

"The government does not have such riches," he said.

Rather than propose new programs for the poor, he said he hoped to reduce the deficit and shrink public spending as a percentage of national economic output.

In a 75-minute speech, which opened the 1995 session of Parliament, Mr. Mandela made just one fleeting reference to building homes for the 25 percent of the black population that lacks formal housing — a program that has been the centerpiece of his election-year promises to deliver "a better life for all."

He gave equally short shrift to education, health care and clean water.

Mr. Mandela's government has already fallen behind its targets on these quality-of-life fronts. For example, it has promised to build 300,000 new low-cost houses annually for the next five years. No one in government has yet made an official tally, but the best guess from housing experts is

that it not reached 10 percent of its first-year goal.

The speech brought into sharp relief the extent to which Mr. Mandela's government — led by men and women who were orthodox Communists and socialists during the decades of the anti-apartheid struggle — has accepted the prescriptions of bond markets and international lending agencies that the only way to redistribute wealth to the poor is through an expanding private economy.

Figures issued this week showed that in 1994 South Africa's economy grew by 2.3 percent, and that fixed capital investment reversed a two-decade slide. The growth of the gross domestic product was this country's best showing in five years, but still lags slightly behind annual population growth — meaning that South Africans on average grew slightly poorer in their year of liberation.

Mr. Mandela's battle cry against anarchy was in part a warning to its practitioners, and in part a signal of reassurance to investors.

While Mr. Mandela spoke, hundreds of residents of Lenasia, an Indian township outside of Johannesburg, were illegally occupying homes — the latest in a string of more than a dozen of such occupations around the country in recent months. In Cape Town this week, thousands of students looted the central business district; they were protesting a racial incident at a formerly white school the day before in which a black student was stabbed to death.

Mr. Mandela made it clear that his government would deal firmly with white racists. He singled out not only those who resist school desegregation, but also em-

See MANDELA, Page 4



FOR US THE LIVING — Masaharu Unigame and his daughter Miho kneeling amid the rubble in the Japanese port city of Kobe, praying for their wife and mother, who died in the earthquake a month ago Friday. Page 5.

## Pound Slides As Politics Take a Toll In Britain

### In U.S., Trade Deficit For 1994 Sets a Record, Pulling Down the Dollar

By Erik Ipsen  
International Herald Tribune

LONDON — The British pound faced a punishing day on foreign-exchange markets Friday, falling to its lowest level in almost two years against the surging Deutsche mark. Behind the slump, currency analysts see one factor above all others.

"It is really only politics," said Tim Fox, an analyst at Credit Suisse in London. "It is not beyond the realm of possibility," he said, that the Labor Party could be in power by the end of the year.

The pound fell a half pence against the mark to 2.3434 DM. But it rose 0.4 cents against the dollar, as the U.S. currency weakened against most major currencies following news of a record U.S. trade deficit.

The merchandise deficit for 1994 rose to \$166.29 billion, 25 percent wider than in 1993, due in large part to huge trade gaps with Japan and China. (Page 9)

The dollar's weakness sent investors scurrying for such havens as the mark, putting pressure on other European currencies. Central banks in Italy and Portugal were forced to defend their currencies Friday, and the French franc and Spanish peseta also were under pressure.

Fresh evidence of the downward spiral in political fortunes of Prime Minister John Major's Conservative government came in a by-election Thursday to fill the seat vacated by the former Labor leader, Neil Kinnock. The Tory candidate finished a humiliating fourth, with 913 votes, just 407 more than the Official Welsh Monster Raving Loony candidate.

The Tories' attempts to smooth differences over one of their most divisive issues — Europe's proposed single currency — received another setback Friday.

A former chancellor of the exchequer, Norman Lamont, threw the debate back to its basics. He argued that there existed no "clear-cut or decisive economic advantage" to Britain's remaining in the European Union. That left the way open for the Labor leader, Tony Blair, to charge again that the government was "paralyzed" over the issue of Britain's place in Europe.

Beneath all the smoke of charge and countercharge, most analysts insist, there is little actually new. Most predict that the government, though its hold on power may be fragile, is likely to limp on.

"On the Continent, we have gotten quite used to Mr. Major's political stumbles," noted Hans Specker, chief strategist with ABN-Amro Bank in Amsterdam. "The effect on investor sentiment is quite subdued."

With the pound close to the postwar low of 2.3129 DM, which it hit nearly two years ago this month, most analysts concede there is little to prevent it from falling to record lows in coming days.

Crucially though, they agree that the pound has been oversold against the mark, as risk-averse investors around the world have flocked to the German currency for what they see as stability. They say that the situation in the markets in recent weeks has been not so much one of sterling weakness as one of mark strength.

"I still think the pound could rebound to 2.45 Deutsche marks over the next three

See MARKETS, Page 4

## In China Counterfeiting War, U.S. Losing Battle

By Seth Faison  
New York Times Service

SHANGHAI — Inside a bare, dimly lit concrete building on the outskirts of town, five workers at the Huaxing Razor Blade Factory sit hunched over noisy machines that spit ordinary razor blades into a row of blue kerosene cans.

Upstairs, lounging in an oversized black leather chair, Yin Jiande, the factory manager, snorts at accusations by Gillette Corp. that he had made more than 50

million counterfeit copies of razor blades produced by Gillette's joint venture here and sold them in lookalike packaging.

"If they say we can't do it any more, O.K., we won't do it any more," said Mr. Yin, who promised to stop last year when he was caught copying Gillette's packaging, only to continue copying it until he was caught a second time and finally stopped.

"No one told us about this law," he said, alluding to the impropriety of copying a competitor's wares.

Factory managers like Mr. Yin are at the

core of a fight that has pushed the United States and China to the brink of a trade war over intellectual property rights, including copyrights and trademarks. A final round of talks began Wednesday in Beijing.

Both countries have mixed heated accusations with stern promises to stand firm, and it is unclear if either will soften in time to reach a last-minute accord before Feb. 26, when trade sanctions threatened by both countries are set to begin.

Yet whether or not peace is made, the struggle over piracy is unlikely to stop

anytime soon in Shanghai or in hundreds of smaller towns in southern China, where counterfeit versions of everything from Lux soap to Kellogg's cornflakes to Shell Oil lubricants are being churned out. U.S. trade negotiators like to cite pirated compact disks and computer software as the kind of items that could easily be controlled. But the counterfeiting of ordinary consumer goods has become so widespread that restraining it appears to be far beyond Beijing's grasp.

Counterfeiting in China ballooned in

See PIRATES, Page 4

## Talks in Beijing Fail to Bridge Gap

The United States and China ended four days of talks in Beijing on Friday that failed to resolve their dispute over Chinese protection of U.S. copyrights. Further talks were planned for over the weekend.

China raised a new threat against proposed U.S. punitive tariffs in the dispute. A newspaper reported that a \$2 billion order for Boeing aircraft could be canceled if the sanctions took effect.

Two U.S. automakers said the dispute was stalling their projects in China. Page 9.

## Ecuador Signs Pact With Peru To Set Up DMZ

Compiled by Our Staff From Dispatches

BRASILIA — Ecuador and Peru signed a formal cease-fire agreement Friday to end a three-week border war.

The agreement, signed four days after the two countries announced a cease-fire, calls for international monitors to be stationed along the disputed 80-kilometer (49-mile) part of the border near the headwaters of the Cenapa River in the Andes Mountains.

Both countries also agreed to pull back their forces gradually, to begin talks toward a permanent solution to the dispute and to invite international monitors to set up a demilitarized zone.

"The document confirms the cease-fire and brings peace to the region," Brazil's deputy foreign minister, Sebastião de Rego Barros, said at the end of a signing ceremony.

The Ecuadoran Foreign Ministry said in a statement that Ecuador and Peru must now hold talks to resolve their differences.

"This crisis will only be over through the introduction of a peaceful environment with Peru that allows both to reach a peaceful and dignified solution to the existing territorial differences," the statement said.

The pact was signed by the Ecuadoran deputy foreign minister, Marcelo Fernández de Córdoba, and his Peruvian counterpart, Eduardo Ponce.

The agreement was worked out in talks in Brasilia with officials from Brazil, Chile, Argentina and the United States. Those four countries, guarantors of a 1942 treaty that set the border following a 1941 war between Peru and Ecuador, will contribute to the observer force. Ecuador was forced then to give up its claim to huge tracts of the Amazon rainforest.

The latest fighting broke out Jan. 26. At least 49 soldiers have been killed and 100 wounded.

(AP, Reuters)



TO THE FRONT — Fighters loyal to Afghanistan's president heading Friday to the eastern limits of Kabul. A UN envoy arrived in the city to oversee the president's transfer of power to a new council. Page 2.

## Report Tracks a Big Jump In East's Nuclear Smuggling

By Craig R. Whitney  
New York Times Service

PARIS — Attempts to smuggle radioactive materials, including plutonium and uranium, from formerly Communist states more than doubled last year, according to a classified West European intelligence report.

The report, made available to The New York Times, concluded that none of the material appeared to have been stolen from nuclear warhead stocks.

It also said that no terrorist groups or states trying to acquire the ability to build nuclear weapons had yet been known to be among the potential customers for the more than 12 pounds of potentially fissionable material seized last year in Russia, Germany and the Czech Republic.

But the report said officials knew little about the people behind the smugglers. Renegade military officers and civilian nuclear technicians from Russia, Ukraine and Romania, it said, were the principal suspects.

The smugglers themselves have become

steadily more sophisticated, the report said, and Western officials believe that the same gang of Central and East Europeans was involved in two significant cases last year.

These involved the seizure of seven-tenths of a gram of 87.8 percent pure enriched uranium-235 in Landshtut, Germany, last June and the discovery of nearly three kilograms of identical uranium in Prague six months later.

Jaroslav Vagner, a former Czech nuclear worker, and two other suspected accomplices from Belarus and Ukraine were arrested by Czech authorities who seized the uranium Dec. 14. German authorities had arrested a German woman and five men from the Czech Republic and Slovakia in the earlier case.

"The material in both cases is identical, and so are the possible suspects," a Western official said. Mr. Vagner is suspected to have been in contact with the Czechs and Slovaks who were arrested in Germany, officials said.

The intelligence report concluded that

See URANIUM, Page 4

## Pride of the Yanks? No Lou Gehrigs Here

By Harvey Araton  
New York Times Service

FORT LAUDERDALE, Florida — Who were these guys? Where had they come from? The answer, in Bill Henderson's case, was from a card buried in Rudy Santin's Rolodex.

Santin, the Florida-based scout for the New York Yankees of major league baseball, pulled the card with Henderson's Miami phone number, and tried his luck at dial-a-catcher earlier this week.

"Been playing ball?" Santin asked.

"None at all, not for years," Henderson said. "Sorry."

Nothing to worry about, Santin told him. And less than 48 hours later, Bill Henderson, whose last play was a home-plate collision six years ago, was pulling up his pin-striped pants one leg at a time, just like Joe D., Mickey and the Babe.

This little tale from the crypt once known as the Yankee clubhouse should give you an idea of what's going on here, at the start of replacement spring training.

If the Yankees had this much trouble assembling pitchers and catchers, they may soon be picking position players out of the telephone book.

"Some of these young men could earn positions in our organization," said the team's owner, George Steinbrenner, re-

"I was between jobs. My new job starts March 1. The boss said, 'Go for it.'"

Bill Henderson, a replacement catcher for the New York Yankees

peaking the line the Yankees obviously fed their pitchers, catchers and dreamers. "There might be some future star."

Now, there is only one star, and he was not in uniform Thursday. After more than two decades of trying, Steinbrenner is finally the biggest of all the New York Yankees. There is no one around who could possibly upstage the Boss.

That's why journalists grabbed hold of him the moment he hit the field, and Steinbrenner refused to let go. "O.K., that's it," he would say after a while. Then he would move a few feet and start talking all over again.

His new suit of swat would pass by, look up at him with reverence and gratitude. Fans pushed their paper and pens in his face and peppered him with questions and advice.

George signed. George bantered. George leaned across the rail and planted a kiss on the cheek of a young girl. A guy who looked just like Yankee first baseman Don Mattingly — honest — told him the players would soon crawl back.

"George, you've lost weight," an elderly

gent told him.

That he had. A few more pounds, and he

See PLAYERS, Page 4

Sparky Anderson was put on unpaid leave of absence by Detroit for refusing to manage replacement players. Page 18.

## AGENDA

### Algerian Journalist Is Shot and Killed

ALGIERS (AFP) — An Algerian journalist, Djamel Ziat, 39, was shot and killed early Friday as he went to a cemetery to visit his mother's grave in the western town of Gdliel, security officials announced.

Mr. Ziat worked for the government's regional daily, Al Jounhouria. Officials did not say who killed him, but

his murder brings to 29 the number of journalists, including one Frenchman and a French-Algerian woman, killed in attacks generally linked by the authorities to Islamic extremists.

Muslim fundamentalists have for three years been waging a war against the secular government, and about 30,000 people have been killed.

EUROPE Page 2.  
Arrest Sharpens Spain Probe

THE AMERICAS Page 3.  
Clinton to Keep Arms Policy

INTERNATIONAL Page 4.  
China Warns U.S. on Defense

ASIA Page 5.  
Hiroshima Team to Tour U.S.

BACK PAGE Page 20.  
Mary Blume on Sex in Britain

Opinion Page 6. Sports Pages 18, 19.  
Books Page 4. Crossword Page 19.

International Classified Page 13.

Newstand Prices	
Andorra.....9.00 FF	Luxembourg.....60 L Fr
Antilles.....11.20 FF	Morocco.....12 Dh
Cameroon 1,400 CFA	Qatar.....8.00 Riels
Egypt.....E.P. 5000	Réunion.....11.20 FF
France.....9.00 FF	Saudi Arabia.....9.00 R
Gabon.....980 CFA	Senegal.....960 CFA
Greece.....330 Dr	Spain.....225 PTAS
Italy.....2,600 Lire	Tunisia.....1,000 Din
Ivory Coast 1,120 CFA	Turkey.....T.L. 45,000
Jordan.....1 JD	U.A.E.....8.50 Dirh
Lebanon.....USS 1.50	U.S. Mil. (Eur.)...\$1.10







## Clinton to Keep Ad Hoc Policy on Arms Sales

By R. Jeffrey Smith  
Washington Post Service

WASHINGTON — President Bill Clinton has approved a policy to continue allowing sales of major conventional weapons systems to key U.S. allies and friendly nations around the globe, according to senior administration officials.

The exportation policy has been formalized in a classified presidential directive that Mr. Clinton signed last weekend, according to a senior administration official, who added that its substance was scheduled for "imminent" announcement.

Mr. Clinton's decision follows an 18-month debate within the administration about whether the United States, as the largest exporter of conventional arms in the world, should begin to try to restrain weapons sales abroad. Democrats in Congress had repeatedly asked the administration to follow such a policy.

But in the end, Mr. Clinton rejected a plea by the Arms Control and Disarmament

Agency that he approve a statement calling for restraint. Most other government agencies, including the Defense and State departments — said such a statement would either be too confining or wind up being "misleading," an official said.

Instead, the policy will continue ad hoc decision-making on major arms sales, using criteria that leave the administration enormous flexibility to reward nations that pursue its policies and punish those that do not.

"It will support and encourage those sales in U.S. interests," a senior official said. Last year, for example, the administration approved the sale of \$40 billion worth of arms to Israel, Malaysia, Singapore, Turkey and other friendly nations, while Russia, China, France and other major arms exporters fell far behind.

American officials said the policy emphasized the need to avoid supplying excessive amounts of arms to unstable regions. But they said it would probably have little effect on U.S. sales to the Middle East or

### U.S. Offering Arms to Poland

WASHINGTON — The United States has offered to sell advanced weapons, including F-16 fighter jets, to Poland, but no final agreement has been made on the transfer of specific arms, U.S. and Polish defense leaders said Friday.

Defense Secretary William J. Perry said Washington's offer to sell high-tech weaponry was also open to "a number of Central European countries," but he did not specify which ones.

The United States has not yet sold any advanced weapons to former Soviet Bloc states.

Asia, regions that many Democratic lawmakers have complained could be destabilized by U.S. weapons exports. Several officials explained

that concerns about the spread of U.S. weapons had given way to the administration's desire not to harm the U.S. defense industry. Policymakers also decided that restraining weapons sales would have undermined Mr. Clinton's efforts to increase domestic employment by increasing the exportation of all types of goods.

The policy includes a statement that American officials, in considering whether to permit an arms sale, can look at whether stopping it would harm the U.S. defense industry. The provision has been cheered by defense contractors, although officials denied it represented a major pro-industry shift.

But the policy does not endorse a more controversial industry proposal: that Washington provide loan guarantees to help finance weapons purchases by key NATO countries and allied governments.

The defense industry argued that the guarantees were needed to help it compete against British, French and German weapons makers that benefit from

similar programs. But an official said Mr. Clinton had decided "this does not make sense now."

The president's directive endorses the continued study and analysis of a proposal by Deputy Defense Secretary John M. Deutch for discussions among major arms-exporting nations about controlling new sales to certain regions and sharing information on the impact of past sales. The idea, which its proponents have dubbed "Circle of Friends," has been derided by critics within the administration as an unworkable cartel because Russia and China would almost certainly refuse to join.

"We've waited two years" for this statement and it lacks any "visionary proposals of U.S. leadership," said Lora Luppe of the Federation of American Scientists, which favors restraining arms sales. "At a time when the greatest threats to U.S. national security come from weapons proliferation and regional warfare, many hoped and expected that this policy would" do more.

### Senators Are Working Up To Balanced-Budget Vote

WASHINGTON — Senate Republican supporters of the balanced-budget amendment and their Democratic opponents have agreed to vote on the amendment Feb. 28, ending two weeks of slow debate over the measure that Republicans have charged has become a filibuster.

The agreement gives each side a chance to gain an edge on an issue that once seemed tilted heavily toward the amendment's supporters, but that now may be decided by no more than a vote or two. After virtually claiming victory last week, supporters seemed to temper their optimism Thursday, saying they had perhaps 65 of the 67 votes they need to push it through the Senate.

### House Panel Would Curb Lawsuits by Stockholders

WASHINGTON — The House Commerce Committee has proposed curbs on frivolous lawsuits filed by disgruntled stockholders, whom Republican critics say unfairly "extort" financial settlements from corporate defendants.

The restrictions on securities litigation, approved on a bipartisan vote of 33 to 10, form part of "Contract With America" legislation that would make losers pay legal costs and limit the financial liabilities of manufacturers for their defective products.

The speaker of the House of Representatives, Newt Gingrich of Georgia, has predicted that House Republicans face "a real brawl" with trial lawyers, a favorite Republican target, over the proposed changes in civil litigation rules. "This is going to be the biggest fight over the next 60 days," he told insurance executives.

Representative Christopher Cox of California, a Republican, said that more than 90 percent of securities lawsuits are settled, often because corporate defendants calculate that paying off plaintiffs costs less than legal fees would.

But Representative John D. Dingell of Michigan, the panel's top Democrat, accused

Republicans of "barricading the courthouse door" and shielding "evildoers" who commit securities fraud.

### Architect of the Capitol Wants No New Extension

WASHINGTON — The Capitol architect, George M. White, will retire when his term expires this year, bringing to an end a 24-year career that had been marred recently by calls for his resignation and charges that his office had discriminated against women and minorities.

In a letter Thursday to House and Senate leaders, Mr. White, 74, stated his intention not to seek reappointment when his term ends Nov. 21. His action spared him a potentially divisive and painful debate over his reappointment.

Last year, Senator Barbara A. Mikulski, a Maryland Democrat, and members of the Congressional Black Caucus led calls for him to step down after the General Accounting Office, the investigative arm of Congress, found that minorities and women employed by the architect were underrepresented in higher-paying jobs and described the working environment under Mr. White's care as "demoralized and distrustful."

The office of the Architect of the Capitol was established in 1793 to preserve and maintain the Capitol and adjacent grounds — an expanse of 275 acres (110 hectares) that includes House and Senate office buildings, the Library of Congress, the Supreme Court building and some monuments and plazas. The office employs a largely blue-collar work force of 2,300 who perform custodial, mechanical, structural and managerial duties as well as run the Senate restaurants.

### Quote/Unquote

Foreign Minister Alain Juppe of France on the vote by the House of Representatives to cut and even eliminate U.S. payments to United Nations peacekeeping operations: "Taking aim at the UN" and "denying it the means to do its job is seriously derailing what little order exists in the world today. I think it's a real shame and a real step backward for international law and world organization." (Reuters)

## Nominee Gets a Boost, but Prognosis Is Still Poor

By Helen Dewar  
Washington Post Service

WASHINGTON — Henry W. Foster Jr., President Bill Clinton's embattled nominee for surgeon general, has received a boost from a leading Senate Republican supporter of abortion rights, along with a discouraging prognosis from those-counters in both parties.

Senator Arlen Specter, Republican of Pennsylvania, said he came away impressed after a brief meeting with the Tennessee obstetrician-gynecologist, although he stopped short of saying he would vote to confirm Dr. Foster.



Senator Edward Kennedy talking with Henry Foster, who is seeking support for his confirmation as surgeon general.

Mr. Specter's comments came as Dr. Foster continued visiting on Thursday with key senators, including Nancy Landon Kassebaum, Republican of Kansas, chairman of the Labor and Human Resources Committee, which will hold hearings on his nomination next month. Senator Kassebaum, who has complained about White House handling of the nomination, has taken a stand on it and declined comment after her meeting with Dr. Foster.

Mr. Specter said he believed Dr. Foster should be given a chance at Senate hearings to clear up confusion over his performance of abortions and hysterectomies and reiterated that he believed no nominee should be disqualified for performing abortions, "however many."

"I think he's an impressive man," Mr. Specter said. "He's come up on a tough road."

He added that Dr. Foster is "entitled to a hearing, and I think the Senate ought to listen to him and evaluate his credibility."

In what appeared to be a warning to senators who would disqualify Dr. Foster for per-

forming any abortions, Mr. Specter cautioned that such arguments could prompt a full-fledged debate on abortion rights in the Senate.

Many Republicans, including the House speaker, Newt Gingrich, Republican of Georgia, are urging colleagues to keep the Foster controversy from turning into a fight over abortion. If it came to a showdown, most Senate Republicans would not vote to disqualify a physician who performed abortions, Mr. Specter said.

But the Senate majority whip, Trent Lott, Republican of

Mississippi, and Senator John B. Breaux, Democrat of Louisiana, chief deputy Democratic whip, said they believed Dr. Foster faced a difficult fight for confirmation in the Senate.

"It's uphill, it's shaky" and "politically costly" for Mr. Clinton, Mr. Breaux said.

By contrast, the Senate minority leader, Thomas A. Daschle, Democrat of South Dakota, said he was encouraged that there had been a "turnaround" in Dr. Foster's favor.

Republicans took a check of senators earlier this week, and it

came out "pretty strong" against confirmation of Dr. Foster, Mr. Lott said. "I think they have a tough battle if it is brought up," he added. Mr. Lott declined to discuss specific results of the head count.

Several Foster supporters have said they are counting on support to pick up as time goes on, unless there are further damaging revelations.

In another development, the FBI director, Louis J. Freeh, sent a letter to the White House counsel, Abner Mikva, expressing his concern about a press report suggesting that confir-

mation hearings were being delayed because the FBI had not completed its background check on Dr. Foster.

"The report is complete and will be sent to the White House tomorrow," Mr. Freeh said. Mr. Freeh was concerned the report created the impression that the FBI was being used to help facilitate the Foster nomination.

The White House Press secretary, Michael McCurry, said that the FBI background check would be reviewed and that Dr. Foster's nomination sent to the Senate soon after that.

## To Catch a Computer Thief

### How Small Network Helped Track a Hacker

By John Markoff  
New York Times Service

SAN FRANCISCO — In his final weeks of freedom, Kevin D. Mitnick, the fugitive computer hacker who was just captured by the FBI, had been putting severe strains on the Well, a small network used mainly by about 11,000 computer users here, investigators say.

And just a few hours before his arrest on Wednesday, they say, he delivered a last electronic blow that nearly destroyed the Well.

It was as if the hacker were undoing the larger meaning of what has been called the most notorious Internet crime spree yet: the vulnerability of any computer on the global Internet network, if a sophisticated computer criminal puts his mind to mischief.

Mr. Mitnick, investigators say, had wormed his way into the Well's central computers at least several weeks earlier and had been reading the electronic mail of its subscribers and using Well accounts as camouflage for remote attacks on computers across the Internet.

After attacks were discovered Jan. 28, Well officials, with some misgivings, had been allowing Mr. Mitnick to come and go unimpeded so that investigators could surreptitiously monitor his activities, the executives said.

But early Wednesday, as federal agents closed in on Mr. Mitnick, 3,000 miles (4,800 kilometers) away in Raleigh, North Carolina, he logged in one last time to the Well's computers in Sausalito, California, and erased all the accounting records for the on-line service, Well officials said.

It was a moment of decision at the Well, whose services and unwitting subscribers had been exposed to extraordinary invasions of privacy on behalf of the investigation.

But now the Well had to decide whether it was time to opt for self-preservation — and risk alerting Mr. Mitnick that he was being watched — by immediately turning off the system. Another event like the destruction of the accounting files, and the Well might well be out of business.

But the Well had no way to reach the FBI team, which was preparing to arrest Mr. Mitnick and had shut off its cellular telephones for fear of alerting him.

"We thought he had escaped and was getting his revenge," said Bruce Katz, the chief executive of the Well. "We had a long debate on what we should do."

They briefly closed the system. Then Mr. Katz and other Well officials argued for nearly two hours. In the end, they decided that by the unwritten code of cyberspace, it would be unthinkable to cower.

"I knew that if we didn't stay on the network it could have meant a waste of the 18 days we had spent so far" on monitoring Mr. Mitnick, said Hua-Pei Chen, the Well's technical manager. They switched the com-

**'You have to be able to trust that your neighbors aren't going to look into your mailbox.'**

Howard Rheingold on the need to thwart computer hackers.

Mitnick stands accused, it was that crises like the one at the Well are almost certain to continue plaguing cyberspace.

"You walk a fine line between openness and total security," said Howard Rheingold, a member of the Well and the author of "Virtual Communities," a book on the social significance of computer networking.

"There is an elementary level of trust that is necessary for community," he added. "You have to be able to trust that your neighbors aren't going to look into your mailbox."

The break-ins demonstrated more clearly than ever how a persistent vandal can threaten the privacy and security of the Internet and the millions of computers connected to it. Those who manage and use the network will need to reassess their expectations of the vaunted information highway.

Reports of computer break-ins are on the rise along the Internet. The Computer Emergency Response Team, a quasi-government agency that tracks reports of Internet security breaches, reported 2,241 "incidents" in 1994, roughly double the number in 1993.

There are technical solutions to the problem, including cryptography — the software art of protecting computer information with secret codes.

But there will always be compromises between the free flow of information and an iron curtain of security.

## Mexican Rebels Buffeted by a Double Setback

By Tod Robberson  
Washington Post Service

SAN CRISTOBAL DE LAS CASAS, Mexico — Rebels here in southern Chiapas state were dealt a double setback on Friday as the Mexican government rejected their conditions for peace talks and a major national party withdrew its backing of

the guerrilla movement's political wing.

President Ernesto Zedillo Ponce de Leon's government, which waged a five-day offensive that sent the rebel Zapatista National Liberation Army fleeing into the Chiapas jungle last week, rejected a rebel demand that army troops withdraw from new positions they

seized during the offensive. Mexico's largest liberal opposition party, meanwhile, withdrew its support of Chiapas' "rebel government in transition" and formally recognized the rule of the new governor, Julio Cesar Ruiz, who was installed by Mr. Zedillo's governing Institutional Revolutionary Party after the resigna-

tion Tuesday of Governor Eduardo Robledo Rincon. Recognition of the new governor by the opposition Party of the Democratic Revolution removes a big political obstacle for Mr. Zedillo as he seeks bipartisan support for a plan to bring a national economic crisis under control. The unrest in Chiapas since the Zapatistas

began their uprising in January 1994 has been a major contributor to investor uncertainty in Mexico.

With Democratic Revolution no longer blocking Mr. Zedillo in Chiapas, his hand is strengthened in prodding the Zapatistas toward peace talks. Until Friday, Democratic Revolution had asserted that its candidate, Amado Avendano Figueroa, was robbed of the governorship last August through vote fraud committed by Mr. Zedillo's long-ruling party.

Democratic Revolution had backed Mr. Avendano's formation of a "rebel government in transition" on Dec. 8, the day of Mr. Robledo's inauguration, and supported the Zapatistas' agenda of far-reaching social and political change.

In exchange, the Zapatistas recognized Mr. Avendano's rule. On Dec. 19, they expanded their year-old rebellion to central and northern Chiapas, seizing several towns and erecting signs declaring them to be under Mr. Avendano's authority.

The rebellion's apparent expansion, both politically and militarily, helped prompt the flight of billions of dollars in foreign investment from Mexico, leading to the Dec. 20 devaluation of the Mexican peso and a subsequent crash of the Mexican stock market.

The crisis that ensued prompted President Bill Clinton on Jan. 31 to announce a \$50 billion package of international emergency aid for Mexico.

On Friday, Democratic Revolution said it had decided to recognize the new governor because of Mr. Robledo's resignation, the halt of the military offensive against the Zapatistas and an offer of amnesty to rebels.

The party's moves were criticized by supporters of Mr. Avendano, who declared that he had not intention of "resign-

## AMERICAN TOPICS

### Rules for Au Pairs Are Eased

The U.S. government has eased strict new rules regulating foreign baby-sitters, also known as au pairs who hire live-in baby sitters from other countries under the government-sanctioned au pair program had complained that the new rules were an overreaction to exceptional cases, such as the deaths of two children in separate incidents who were being looked after by au pairs.

The U.S. Information Agency, which oversees the au pair program, said it had received about 3,500 letters from host families who complained that raising the minimum ages of au pairs and increasing their pay 55 percent would kill the program. So the agency reversed a policy announced in December barring au pairs younger than 21 from caring for children under 2.

The weekly stipend the baby sitters receive will increase to \$115, from \$100, instead of the proposed \$150.

The rules take effect immediately. The program brings about 13,000 women, mostly European, to the United States annually for a one-year stay.

### Short Takes

A study suggests tension headaches start with tissue linking the brain with upper neck muscles. "This may help get at the problem either with different pharmaceutical treatment or no pharmaceutical treatment — massage, relaxation therapy, or an ice pack," said Walker L. Robinson, a neurosurgeon at the University of Maryland Medical Center. He

was one of three doctors who conducted a study indicating that when neck muscles contract, they pull on the connective tissue. That tissue, in turn, pulls on the highly sensitive dura mater, a thin membrane that covers the brain and spinal cord. Strained nerves in the dura mater appear to cause the headaches, they said. In other words, a tight neck yanks on an area of the head that's full of nerves.

Most bits of Illinois prairie that remain today are not found in the hinterlands, but, paradoxically, in the smokestack environs of Chicago, patches of field spared by neglect or ignored because they were useless commercially. One of the most pristine chunks of prairie, wedged between intersecting railroad tracks in the mill district south of Chicago, has been selected for preservation by the Illinois Department of Conservation and the Cook County Forest Preserve. They have earmarked 800,000 to buy the 65-acre (26-hectare) plot.

In the new cable TV film "Citizen X," Jeffrey DeMunn portrays Andrei Chikatilo, who was executed in Russia last February after a 12-year murder spree in which he killed 52 boys, girls and young women. The murders were unusually vicious, often involving rape and cannibalism. The actor said he slipped into the killer's persona almost too thoroughly. "I had a couple of days' growth of beard and a haunted look," he said, "so when I went to a hotel dining room, I would be put behind the band in the corner."

William Donald Schaefer had chauffeurs for more than two decades as mayor of Baltimore and governor of Maryland. He said he is getting the hang of driving his own car, but slowly. "It's difficult," he said. "Driving yourself is an ordeal." What about parking? He conceded, "I haven't done any parallel parking yet."

### Away From Politics

- Water training exercises were suspended by the U.S. Army after four soldiers in the army's Ranger training program at Eglin Air Force Base in Florida died of hypothermia. (Reuters)
- A man who firebombed a Cincinnati abortion clinic has been released from a U.S. prison in Ashland, Kentucky. John Brockhoff had served four years of a seven-year sentence for the 1985 firebombing. No one was injured in the attack. (AP)
- A four-engine DC-8 cargo plane that crashed while taking off in Kansas City, Missouri, killing all three people aboard, was operating without an engine and was heading to Massachusetts for maintenance work. (AP)
- Jews began deliberating the fate of Colin Ferguson, who is accused of killing 6 and wounding 19 on a Long Island commuter train in 1993. (AP)
- A man forced his former girlfriend to marry him by imprisoning her and threatening to kill her and her parents if she refused, Orlando, Florida, police say. Freddie Lee Radford, 42, was charged with false imprisonment and aggravated assault. (AP)

**ITC**  
INTERNATIONAL TELEPHONE COMPANY  
**WORLDWIDE CALL BACK SYSTEM**  
Now offers Direct Dial to Anywhere in the world at Call Back Prices.  
Fax & Data can also be used with ITC's Direct Dialer.

**Distributors Needed Worldwide**  
For Call Back / Call Centers and Prepaid Calling Cards International and Domestic.

International Telephone Company  
290 Pratt Street, Meriden, CT 06450-2118  
1800-638-5558 ext. 111/203-238-9794  
Fax: 203-929-4906  
"Limited Countries Available"

**Herald Tribune**  
THE WORLD'S DAILY NEWSPAPER  
**LIVING IN THE U.S.?**  
NOW PRINTED IN  
NEW YORK  
FOR SAME DAY  
DELIVERY IN KEY CITIES  
TO SUBSCRIBE, CALL  
1-800-882-2884  
(IN NEW YORK, CALL 212-752-3890)

**YACHT FOR SALE**  
**1990 Oyster 68'**  
Lying Southern France.  
Excellent condition.  
Very well equipped.  
Being well looked after  
by full time professional crew.  
Never chartered.

Phone: 033 94 43 23 05  
Fax: 033 94 56 13 14



# China Warns U.S. Against Developing Asian Missile Shield

By Patrick E. Tyler  
New York Times Service

BEIJING — In a pointed public warning, China said Friday that the United States would "increase the danger of nuclear war" if it proceeded with a plan to develop an advanced ballistic missile defense system that could be deployed in Asia.

President Bill Clinton and some congressional legislators support the development of a "theater missile defense" system that would protect American forces and allies when they are exposed to enemy ballistic missiles like those Iraq fired against Israel and Saudi Arabia during the 1991 Gulf War.

The warning was delivered in response to a question during a news conference given by a senior Foreign Ministry official and arms control expert who spoke on condition of anonymity.

China's opposition stems from fears in the Chinese military that an American anti-missile system, if deployed in Asia to protect Japan or South Korea, could block China's small force of nuclear-tipped strategic missiles.

"If a country with nuclear weapons has a spear, and then gets a shield, you can imagine what would happen," the official said, referring to the potential for a first strike without fear of retaliation.

Senior Chinese military officials have said that China's national prestige demands that it maintain the credibility of its force of about 300 strategic warheads.

Without that credibility, China would be subject to "blackmail," the official said Friday. He noted that the United States considered using nuclear weapons against China during the Korean War.

Chinese officials rarely speak in public about Beijing's positions on arms control, but twice in recent months, the Foreign Ministry has made this official available to respond to questions from news organizations in Beijing.

His warning Friday comes in advance of a series of high-level American visits to Beijing, including by Energy Secretary Hazel R. O'Leary and Winston Lord, the State Department's assistant secretary for Asian affairs.

"We are opposed to any modified form of the Strategic Defense Initiative because it will touch off another round of arms race in outer space," the Foreign Ministry official said, adding, "I believe it will increase the danger of nuclear war."

At one point, the official raised his voice and accused the United States and the news media of falsely portraying China as a "threat" to international peace.

"I think the so-called China threat originated from a far-away place," he said. "We are tired of all these allegations." "For the last 100 years, we have been hearing the same story," he said, complaining that since the People's Republic was founded, it has been portrayed as a threat to peace.

"When China was poor, we were a threat and when China is rich we are a threat," he added. "But history is history. We have

been the victim of aggression and occupation. We are tired of all these allegations. Enough is enough."

The official apologized for getting "a little emotional" and then added, "We do not pose a threat, but we are entitled to defend ourselves."

In the news conference, the official also made the following arguments and points:

• China and Russia are justified in selling civilian nuclear technology to Iran as long as it is done under the safeguards of the International Atomic Energy Agency.

• Despite President Clinton's decision to extend the American moratorium on underground nuclear testing, China is free to continue exploding a new generation of warheads in underground tests until 1996, when it has committed to signing a comprehensive test ban treaty.

• Even after China signs a test ban, it still might press for "small" underground tests to ensure the safety and reliability of nuclear weapons already in the arsenal.

• A proposal last fall by Defense Secretary William J. Perry to offer China sophisticated computer simulation programs as a substitute for nuclear testing has yet to draw a response from the Ministry of Defense.

The official also said that China had decided against taking part with South Korea and the United States in a proposed multinational consortium to provide North Korea with nuclear reactors for generating electricity.



SET, GO! — American and Italian Marines at Mogadishu airport, preparing Friday to cover the pullout of UN troops from Somalia next week.

## Loh Boon Siew, Malaysian Industrialist, Dies at 78

The Associated Press

KUALA LUMPUR — Loh Boon Siew, 78, who rose from apprentice mechanic to become one of Malaysia's richest men, died Friday.

The cause of his death was not known, and an autopsy was ordered, the Bernama news agency reported.

An ethnic Chinese, Mr. Loh came to Malaysia with his father from Fukien Province in China at the age of 12.

He started out as an apprentice mechanic just before World War II and supplemented his income by washing buses. He eventually formed a bus transport company.

Mr. Loh had no time to go to school, and he remained illiterate. But he was well-known for his powerful memory and business sense.

His business took off after he went to Japan in 1958 and persuaded the founder of Honda Motor Co. to give him the sole distributorship of Honda motorcycles in Malaysia and Singapore.

From an initial sale of 12 motorcycles, Mr. Loh multiplied the sales volume to 12,000 in five years and paved the way for more Japanese-made motorcycles in a market dominated by British and Continental machines. Today his company also distributes Honda cars in Malaysia.

In the 1960s, Mr. Loh expanded his business into plantations, manufacturing, hotels, real estate and property. In 1963, he grouped a sizeable portion of his businesses under the public listed Oriental Holdings Bhd., which in 1993 had total assets valued at 1.4 billion ringgit (\$550 million).

John Louis Jr., 69, Ex-Envoy And U.S. Media Magnate

WINNETKA, Illinois (Reuters) — John Louis Jr., 69, a former U.S. ambassador to Britain, media owner and philanthropist, died at his home in this Chicago suburb, his family said Friday.

Mr. Louis was a prominent supporter of the Republican Party and was named ambassador to Britain by President Ronald Reagan in 1981. He left the post in 1983.

His great-grandfather founded S.C. Johnson & Son Co., a maker of household products, and Mr. Louis became an advertising executive and then a marketing director for the company.

Mr. Louis later helped build an array of media properties under the banner Combined Communication Corp., that

owned the Oakland Tribune and Cincinnati Enquirer newspapers and a chain of seven television and 13 radio stations. Li Zhisui, 79, Was Mao's Doctor

CHICAGO (AP) — Li Zhisui, 75, Mao Zedong's private doctor from 1954 until the Chinese leader's death in 1976, died of a heart attack Monday. In his recent memoir, "The Private Life of Chairman Mao," Dr. Li painted a picture of the founder of the People's Republic of China as a manipulative, unfeeling man.

While the book contained little in the way of major revelations on political or diplomatic history, it shed light on the nature of Mao's rule and his relationships with other major figures. Dr. Li moved to suburban Chicago in 1988.

## PIRATES: Trade Conflict Grows

Continued from Page 1

the last two years as factory managers like Mr. Yin operated in an environment of speedy economic growth coupled with a weak legal system, seeing quick profits and little risk of punishment. The infringement of trademarks — the symbols and design that identify a product — now involves billions of dollars worth of goods produced in China, trademark lawyers estimate.

Counterfeit goods in a developing country are nothing new, and items like fake Rolex watches and Gucci bags are sold on the streets of New York City. But the recent growth of consumer piracy in China has been so fast and the volume so large that Western businessmen say they are alarmed by how big a bite is being taken out of their bottom line.

After Gillette discovered that Huaxing Razor was pirating the packaging and perhaps the contents of Gillette's Flying Eagle brand razor, it presented evidence to the local authorities, who raided the premises. But the action led only to broken promises from the factory and to legal action so minimal that it virtually invited more counterfeiting.

At the Huaxing factory, a modest operation with 100 workers who are paid \$50 to \$90 a month, Mr. Yin expresses nonchalance about his dispute with Gillette, apparently out of confidence that local officials will continue to go easy on him.

"I'm friends with most leaders in the district government," said Mr. Yin, a boyish-looking man of 40. Although he said he was paid a salary of less than \$200 a month, the sleek black Audi and the Mitsubishi pickup truck parked outside his office hinted at a broader income.

Although Huaxing did stop counterfeiting after a second raid and fine, it left Gillette without a penny of compensation from a loss of more than \$1 million in sales.

As in other parts of China, the economic police in Shanghai may often have little incentive to penalize factories that generate local tax revenue and are run by acquaintances.

Xing Dongsheng, a deputy section chief at the Shanghai Administration of Industry and Commerce, which is responsible for enforcing trademark violations, insisted that the Gillette case was an example of good government work because fines were collected, twice, and handed over to the central government. He denied that any favoritism had been shown to Mr. Yin.

When not attending meetings, or conducting spot-checks, Mr. Xing said he relied on companies like Gillette to bring claims forward and to present hard evidence.

"You can't say that just because something is selling cheaply that it is counterfeit," he said. "You need evidence. The United States should not ask us to prosecute every case. No one can prosecute every case."

Tony Au Yeung, general manager of Gillette (Shanghai) Ltd., the joint venture, estimates that counterfeiters now sell its lookalikes worth more than \$10 million, or roughly one-third of the annual sales at his Shanghai operation. Du Pont, Minnesota Mining & Manufacturing, S.C. Johnson and McDonald's are among the dozens of other companies that endure infringements.

## MANDELA: Call for Restraint

Continued from Page 1

players who refuse to adopt policies designed to bring blacks into better jobs. He spent much more time, however, lecturing blacks who have not given up behavior that often won them glory during the anti-apartheid struggle.

"I speak of those who engage in such totally unacceptable practices as the murder of police officers, the taking of hostages, riots, looting, the forcible occupation of public buildings, blocking of public highways, vandalism of public and private property and so on," he said.

He added, "Let me make this abundantly clear that the small minority in our midst which wears the mask of anarchy will meet its match in government."

Mr. Mandela also issued a stern warning to public employees — some of which, in recent weeks, have threatened to take white supervisors hostage if their wage demands are not met. He said that although he sympathized with the economic plight of many black civil servants, the government would crack down on any illegal strike activity.

On the subject of corruption — also much in the news lately — Mr. Mandela acknowledged that it had "deeply infected the very fiber of our society."

He pledged to deal "firmly and unequivocally with whoever is involved," but said he would not engage in "witch hunts" based on mere allegations.

Mr. Mandela had been criticized for waiting too long to force the withdrawal from a diplomatic posting of the Reverend Allan Boesak, the anti-apartheid leader who was accused in December of misappropriating foreign funds donated to a community group he led. Mr. Boesak withdrew this week.

## URANIUM: Report Sees Big Increase in Smuggling

Continued from Page 1

the uranium they were offering for sale was not from former Soviet weapons stocks but might have come from fuel rods used in atomic-powered naval vessels.

Corrupt officers of the Russian northern fleet in Murmansk stole four kilograms (8.8 pounds) of 30 percent-enriched uranium-235 fuel for atomic submarine reactors in 1993, the report said, and Russian authorities later announced that three kilograms of it had been recovered in St. Petersburg.

So far no Russians have been among those accused of smuggling the materials to Western Europe.

The smugglers have used crude, nonairtight-proof containers like empty gas bottles to bring nuclear materials through Eastern and Central Europe by car, and have concealed uranium pellets in the sides of railroad cars.

Just last Thursday, a 46-year-old Polish used-car dealer was given a 30-month sentence in Essen, Germany, for dabbling on the side in uranium-238. He was arrested at a highway rest stop in the Ruhr on Sept. 29 for offering about a kilogram of it to a German who informed the police.

In another case last August, a 38-year-old Colombian who had spent years in Moscow as a student hid 12.6 grams of potentially fissionable plutonium-239 in oxide form in a shielded cylinder in his suitcase on a flight from Moscow to Munich. German police officers posing as customers interested in a \$250 million deal arrested him and two suspected Spanish accomplices.

All are still under arrest but have refused to talk about their connections in Moscow, German officials said. Plutonium-239 of the kind that turned up in Munich is not normally used to build nuclear warheads, the report said, and

the seized material probably came from nonmilitary research installations, as did a tiny sample of two-tenths of an ounce of 99.75-percent-pure plutonium-239 found in the garage of a businessman in southern Germany last May.

"Plutonium in this form can only be produced by an isotope isolation process known to exist only in Russia," according to the report, which said that Russian laboratories had produced 1.2 kilograms of it in the 1960s for research institutes in the Communist bloc.

A European official said that for reasons of national pride, Russian authorities appear to be trying to stop the leakage by themselves, without outside help.

In all, 124 cases of nuclear smuggling from formerly Communist states were reported to Western governments in 1994, compared with 56 the previous year and 53 in 1992, according

to the report. More than half of last year's cases, 77 of them, involved uranium or plutonium rather than more harmless materials.

The intelligence report said that Russian civilian nuclear research institutes often did not check their inventories of radioactive materials.

"It is not clear that even the Russians know how much material they actually have," said Roger Baléras, an expert at the French Atomic Energy Commission.

Radioactive materials could be used simply to contaminate large areas by dispersion in conventional explosions, the report said, but there were as yet few signs that terrorists had become interested.

Nor, it concluded, was there hard evidence to substantiate reports that buyers from Iran, Lebanon, and Jordan had tried to buy weapons-grade radioactive materials.

## MARKETS: Politics Take a Toll on Pound in Britain

Continued from Page 1

months," said Herman Thaler, an analyst at the Union Bank of Switzerland in Zurich. "There is nothing new in Mr. Major's political problems nor in Labor's lead in the opinion polls."

In contrast to those factors, most economists point to buoyant economic fundamentals.

"The economic situation here is not one that would typically lead to a sterling crisis," insisted Keith Wade, an economist with Schroder Economics. He and others note that inflation remains subdued and that

the pound's slide will do little real damage to the generally rosy economic prospects. Specifically, they forecast that

sterling's nearly 5 percent slide against the mark since December will have little impact on domestic inflation.

In contrast, what cheers British economists is the pound's remarkably steady performance against the dollar.

"From an inflation point of view, that is quite beneficial since so many raw material imports are priced in dollars," noted Peter Gutmann, senior research manager at National Westminster Bank.

What is more, with little inflationary impact to fear, British exporters have much to gain from a weaker currency as Europe's economic recovery gathers steam this year.

In fact, many economists draw direct links between the pound's devaluation following its forced exit from the European policy grid in September 1992 and the country's relatively buoyant economy of today.

Economist also credit Britain's tougher fiscal and monetary policy for much of the gains on the inflation front. But what worries investors is that those policies might change under a Labor government, which opinion polls suggest is inevitable in elections that must be held no later than April 1997.

It is that factor that turns

## Detective Clarifies Reaction Of Simpson

The Associated Press

LOS ANGELES — The detective who had said that O. J. Simpson did not ask for details about his former wife's death acknowledged Friday that Mr. Simpson had said "What do you mean she's been killed?" during their telephone conversation.

The detective, Ronald Phillips, also said that the phone conversation on June 13 lasted less than a minute and that Mr. Simpson tried to call him back at the police station later that morning.

During cross-examination, the defense tried to counter Mr. Phillips' testimony Thursday that Mr. Simpson did not ask how, when or where his former wife was killed. The defense suggested that Mr. Simpson, who had taken a late-night flight to Chicago, was sleeping when he got the call.

In his cross-examination, defense attorney Johnnie Cochran Jr., quoted from a report Mr. Phillips wrote about the call June 14, saying, "What do you mean she's been killed?" and then asked: "Do you remember that?"

"Yes," Mr. Phillips said. Mr. Phillips also said: "Mr. Simpson repeated several times, 'Oh, my God, she's killed' and 'Oh, my God, she's dead.'"

Mr. Phillips had called Mr. Simpson at his hotel in Chicago. Prosecutors contend Mr. Simpson killed his former wife and her friend Ron Goldman, the evening of June 12, shortly before leaving on his trip.

Mr. Phillips said he talked to Mr. Simpson for only about a minute, then handed the phone to Mr. Simpson's elder daughter, Arnelle.

"In your mind, was he a suspect at that point?" Mr. Cochran asked.

"No," Mr. Phillips said. The detective acknowledged that when he got back to the police station there was a message saying Mr. Simpson had called him.

Mr. Cochran pointed out that Mr. Simpson, technically, was not Mr. Simpson's next-of-kin.

"You told him you had to relate some bad information to him, is that correct?" he said.

"Did you preface it by saying, 'your children are all right, Mr. Simpson'?"

"I don't recall that," Mr. Phillips answered.

Mr. Phillips testified Thursday that he told Mr. Simpson his two younger children had been taken to the West Los Angeles Police Department and "I need to talk to you about that."

The detective said at the same time he was talking to Mr. Simpson, another detective was telling Arnelle Simpson what had happened.

Others go even further. "The markets are so anti-Major that I wonder if a change in government would not actually be good for the pound," Mr. Thaler said.

Some analysts also suggest that the market's traditional sympathy to the Labor Party may simply be outdated. They note that little distance now separates the two main British political parties on the essentials of economic policy.

Mediterranean Meeting Set

ROME — NATO's secretary-general, Willy Claes, announced Friday that he would hold talks next week with envoys from Egypt, Israel, Mauritania, Morocco and Tunisia on threats to stability in the Mediterranean. He said the meeting would take place next Friday in Brussels.

markets few weeks, fantasy leagues on leave from life. "I was between jobs," said Henderson, holder of a marketing degree. "My new job starts March 1. The boss said, 'Go for it.'"

Henderson, 26, once went for the money, right out of high school, as the Detroit Tigers' 1987 first-round draft pick. Two years later, in the Florida State League, he was bowled over in a play at the plate, a season-ending injury that sent him back to school for good.

At least he didn't sustain a concussion. "He was out," Henderson recalled. "I held on."

## PLAYERS: No Lou Gehrigs Here

Continued from Page 1

might have been out there, jogging alongside the nobodies in the most famous uniform in American sports.

"No, sir," Steinbrenner said to that proposition. He is the owner. The players are the players, even if they are not the players.

So who were these guys and where had they come from? Some were from the Yankees' minor leagues, in career atrophy, hoping to score organizational points. The others were the unremorseful has-beens we've been reading about these

past few weeks, fantasy leagues on leave from life. "I was between jobs," said Henderson, holder of a marketing degree. "My new job starts March 1. The boss said, 'Go for it.'"

Henderson, 26, once went for the money, right out of high school, as the Detroit Tigers' 1987 first-round draft pick. Two years later, in the Florida State League, he was bowled over in a play at the plate, a season-ending injury that sent him back to school for good.

At least he didn't sustain a concussion. "He was out," Henderson recalled. "I held on."

## Dining Out

<b>AMSTERDAM</b> <b>DE VLEIGENDE SCHOTEL</b> Vegetarian kitchen. Open daily 10:30-23:30 Kitchen open 17:30-22:15 1 Nieuwe Leidsestraat 162 Reservations: 020-6252041	<b>PARIS 17th</b> <b>AL GOLDENBERG</b> Multi-cuisine - Postcard - Cream cheese bagel and low fat homemade - Cheese cake & all the treat. Jewish spec. 69 Av. de Wagram. Tel: 42 27 34 79. Every day up to midnight.
<b>NEURLY-SUR-SEINE</b> <b>JARRASSE</b> Sea food and fish specialties. Fresh daily delivery. Private kitchen for 14. Closed Sunday evening. 14, rue de la Chapelle, 93100 St. Denis. Tel: 42 24 07 56. Fax: 40 88 35 60	<b>PARIS 15th</b> <b>LE WESTERN</b> The reference for lovers of the American West with American & French specialties. Pony Express Menu including a choice of starters and main courses with coffee and brownies. FF 150 lunch & dinner. Paris Hilton 18, av. Suffren. Tel: 42 73 92 00
<b>PARIS 1st</b> <b>L'ESCARBOT MONTORGUEL</b> The oldest bistro in Paris. Rue de Montorgueil 39, Tel: 42 36 81 51.	<b>PARIS 16th</b> <b>"LA SALLE A MANGER"</b> In a palace offering authentic comfort with the charm of a bistro, far from the crowds on the Champs Elysees, experience the cuisine of Philip DELAYE with its unique blend of classical and seasonal ingredients. Lunch 12:30-2:30. Dinner 7:30-11:00. Open Monday through Friday. Closed weekends. RAPPAPORT, 17 rue Nodding. Tel: 44 28 00 28
<b>RUE DE LA CHAPELLE</b> <b>CARR'S</b> French, Irish, Italian, and seasonal specialties. Open 7:30-11:00. 1, rue de la Chapelle. Tel: 42 60 20	<b>PARIS 17th</b> <b>CHEZ FRED</b> One of the oldest bistros of Paris. French traditional cooking. 100 bis rue de Valenciennes. Tel: 45 74 20 48
<b>PARIS 2nd</b> <b>AUX LYONNAIS</b> Traditional bistro cooking in authentic 1900 decor. Excellent wines & mineral waters. 32, rue St. Marc. Tel: 42 96 65 04	<b>VIENNA</b> <b>KERVANSARAY</b> Turkish & Levantine specialties. Levantine bar, best seafood restaurant. 11 Rue Mazarine 9. Tel: 512 88 43. Air conditioned. 80m. Open: Noon 3 p.m. & 6 p.m. to 11:00. Open holidays.
<b>PARIS 6th</b> <b>YUGARAJ</b> Hailed as the best Indian restaurant in France by the leading guides for connoisseurs. 14, rue Dauphine. Tel: 42 20 44 91	
<b>THOUROUX</b> Specialties of the South-West. Confit de canard & cassoulet ou confit de canard Air conditioned. Open everyday. 79 rue St. Dominique. Tel: 47 05 49 75. Near Invalides Terminal.	

## NEW AUTHORS

PUBLISH YOUR WORK  
ALL SUBJECTS CONSIDERED  
Authors Worldwide invited  
Write or send your manuscript to  
MINERVA PRESS  
2 OLD BROMPTON RD. LONDON SW 7 2DD

السنة الأولى



## The View From Hiroshima

### After Smithsonian Step, a Message for U.S.

By Steven Brull  
International Herald Tribune

HIROSHIMA, Japan — The cities of Hiroshima and Nagasaki, reacting to the Smithsonian Institution's decision to drastically scale down its exhibition concerning the nuclear attacks during World War II, are planning to convey their views on the bombings in a broad campaign in the United States.

The campaign, which will include advertisements in U.S. newspapers, exhibits and symposiums, will use photographs and testimony from witnesses to show the effects of the bombings. The attacks killed about 200,000 people, with an additional 100,000 dying later from radiation sickness and burns.

"The Enola Gay exhibit only shows the power of nuclear weapons, but we want to emphasize that the power of nuclear weapons and the damage that they caused are interlinked," Mayor Takashi Hiraoka of Hiroshima said, referring to the Smithsonian exhibition.

"We don't want to sound as though we're scolding America," he said in an interview. "What we want the world to know is that we've overcome our sadness and pain and rebuilt this city on a principle of peace."

Coming in an emotionally charged year during which U.S. veterans will commemorate their victory in World War II 50 years ago, the activities run the risk of further raising tensions.

Already, pressure in Japan has led to the cancellation of plans by the U.S. postal service to issue a commemorative stamp showing a mushroom cloud. The stamp carried the caption "Atomic Bombs Hasten War's End, August 1945."

Then, earlier this month, protests from veterans groups led

the Smithsonian Institution to alter an exhibition showing the destruction of the bomb and raising questions about its morality and strategic necessity. Instead, the exhibit at the National Air and Space Museum will show the fuselage of the "Enola Gay," the plane which dropped the bomb on Hiroshima on Aug. 6, 1945.

To Japanese, the decision smacked of insensitivity. The development drew front-page headlines for days and statements of regret from Prime Minister Tomiichi Murayama and other officials.

In Hiroshima, whose population of 1.1 million includes about 100,000 atomic bomb survivors, the incidents have given fresh impetus to efforts to get their message across.

"The original draft for the Smithsonian's exhibit captured the greater part of what we wanted to say," said Hiroshi Harada, director of the Hiroshima Peace Memorial Museum and a hibakusha, or victim, of the atomic bombing.

"Their viewpoint was nearly identical to ours," he said. Now, he said, the museum is exploring the possibility of sending a traveling exhibition to several university and state-sponsored museums in the United States and Canada this summer.

Most people in Hiroshima feel the bombs that killed mainly civilians were unjustified because Japan was on the verge of surrender.

Nonetheless, city officials say they can understand the feelings of American veterans.

"There are two sides to war — aggression and devastation — and it becomes personal when it's your father, your brother, or your neighbor that dies," Mr. Hiraoka said.

"There are many who see America as having been protecting democracy while Japan was invading other countries —

and, of course, this may be correct to some extent," said the mayor, a former journalist whose views differ from those of many more conservative Japanese politicians.

The Smithsonian's decision held a particular irony here because last June the city's Peace Museum took a controversial step by adding new materials that for the first time showed the military significance of Hiroshima. Also, a new room was added at the start of the exhibition, informally known as the "Aggression Corner," that notes the atrocities committed by Japanese forces in Asia.

Previously, the 1.5 million people who visit the museum annually, making it the country's most popular museum, saw little to explain why Japan was at war or why the bomb was dropped.

The city of Hiroshima has budgeted 47.26 million yen (\$485,000) for promotional activities in the United States this year. About two-thirds of the total is for exhibitions and the dispatch of witnesses to symposiums, with 8.5 million pegged for advertisements. The budget is expected to pass the city council next month.

## BRIEFLY ASIA

### Sri Lanka and Guerrillas Agree to End Blockade

COLOMBO — The government and Tamil guerrillas have agreed on steps to end a four-year economic blockade against the rebel-held Jaffna Peninsula that has deprived 800,000 people of electricity, gasoline, phone service and most consumer goods.

Two land routes to the peninsula also will be opened, a government negotiator said Friday. Details have yet to be worked out, said Kusumsiri Balapatabendi, the chief negotiator and secretary to President Chandrika Bandaranaike Kumaratunga. The move is expected to give impetus to peace talks, which bogged down last month.

More than 34,000 people have died in the 11-year war for a homeland for Sri Lanka's Tamil minority, who say they are discriminated against by the Sinhalese who dominate the government and military.

### Pentagon Mistakenly Sent Oil to the North Koreans

WASHINGTON — The Pentagon inadvertently supplied North Korea with heating oil that enabled the Communist regime to divert gasoline to its military, according to the U.S. commander in South Korea.

Testifying before the Senate Armed Services Committee, General Gary Luck said Thursday that U.S. intelligence gatherers had detected a diversion of fuel made possible by a shipment of heating oil paid for out of Pentagon accounts.

"We called their hand on that and they

stopped doing it," General Luck told the committee. He said he would be willing to describe the incident in greater detail in a nonpublic session.

North Korea and the United States agreed last fall to a "framework agreement" on halting North Korea's nuclear program in exchange for oil and, later, nuclear power plants that produce little material that could be diverted to weapons.

### 2 India Policemen Killed

NEW DELHI — Gunmen killed two policemen Friday and wounded five others who were guarding sealed ballot boxes in a legislative election in the eastern state of Manipur. United News of India said the gunmen appeared to be militants of the Kuki tribe, who are in a fierce turf war with the Naga tribe in the remote state bordering Burma.

### Heavy Toll in Cambodia

PHNOM PENH — The Cambodian government said Friday that its army had suffered heavy casualties in a drive against Khmer Rouge guerrillas in the far northern province of Preah Vihear.

Asked the number of casualties, a senior government official with a close knowledge of the fighting replied: "Too much." He added that an exact casualty figure had still not been received in Phnom Penh. Fighting had been sporadic, he said, most of the casualties had been caused by land mines.

"There are casualties and wounded on both sides, but the main problem is that the Khmer Rouge have laid hundreds and hundreds of new mines," said the official, who asked not to be named.



"I'M-AT-YOUR-COMMAND" — A girl sizing up a robot made from recycled materials in Laem Chabang, Thailand, at a trade exhibition Friday in which foreign and domestic companies displayed recycled products.

Now you can invest in Asia,  
the Middle East, the Mediterranean,  
the Balkans and the Black Sea...  
without ever leaving Europe.



Now, as in the past, Turkey is right at the center of the world's greatest trade routes. At the junction of Europe and Asia. At the hub of the Mediterranean and the Black Sea. At the threshold of the world's newest and most exciting markets.

But Turkey has more than geographical access to offer. A nation of plenty, Turkey is home to industry and agriculture, commerce and services. The skilled workforce is highly entrepreneurial in spirit. The ethnically and culturally diverse population of 61 million is young and open to change. Sophisticated telecommunications networks ensure instantaneous connections with the rest of the world. New motorways traverse the country and air links to 84 domestic and international destinations make travelling a snap.

Many of the best known corporate names in the world discovered Turkey's long-term advantages years ago. As a technically-sound partner capable of producing top quality goods and services. As a profitable market of considerable potential. As a center for regional expansion. And as a modern and rewarding place to do business.

So if you are keen to expand your business without leaving Europe, isn't it time you found out what so many already know: Turkey is the key place to be.

**TURKEY**  
THE KEY

## \$10 Billion Budget For Kobe Quake

Reuters

KOBE, Japan — Japan took the first step on Friday in meeting the cost of reconstruction after the Kobe earthquake last month by setting out a special budget for disaster relief.

Prime Minister Tomiichi Murayama's cabinet endorsed the outline of a supplementary budget totaling 1.02 trillion yen (\$10.2 billion) to finance initial reconstruction costs.

The government has estimated that rebuilding the earthquake-hit areas of central Japan would cost at least \$96 billion.

Mr. Murayama has been criticized for the central government's slow response and failure to contain damage from the earthquake.

His government, clearly anxious to dispel that impression, unveiled its budget outline a week before the budget bills would be formally submitted to Parliament.

A Finance Ministry official said the government wanted to "relieve victims by letting them know how things are proceeding with reconstruction measures."

Earlier, Parliament approved Mr. Murayama's first concrete measure since the disaster, a package of bills to cancel or cut

income taxes and other levies for those who have lost members of their families or homes.

At noon on Friday, one month since the earthquake hit, tens of thousands of people observed a minute of silence.

As bells tolled atop the Hyogo prefectural hall in Kobe, workers at reconstruction sites, refugees at evacuation centers and people on the streets stopped and bowed their heads.

The police said Friday that at least 5,391 people were confirmed killed by the 7.2 Richter earthquake, which struck at dawn on Jan. 17. Two people are still listed as missing.

In Tokyo, Mr. Murayama also paid tribute to the dead. "We must learn from the experience of this disaster and create a system so we can react adequately when something similar happens," he said.

More than 210,000 people are still stranded in crowded and cold evacuation sites at schools and community centers. Many others have braved the winter weather and stayed in tents near their shattered homes.

Kobe has become a city of endless traffic jams and dust from the hundreds of damaged buildings being torn down. City officials said traffic snarls had delayed the most urgent task ahead, to clear the rubble and erect temporary homes.

Out on Kobe streets, people immediately went back to their work after the noon rite and admitted that they had little room to think of the past month.

"We've become a lot busier since the earthquake," said Yoshiko Umetani, 21, who works at her father's liquor store in the Motomachi district of downtown Kobe. "There seem to be plenty of people who buy liquor to cheer themselves up."

### Japan Tests Reactor As Protesters March

The Associated Press

TOKYO — As dozens of protesters marched, control rods were lifted from the core of the Monju breeder reactor on Friday, creating enough electricity to test the plant's steam generator for the first time.

Officials said that the tests were designed to measure the efficiency of the reactor, and that actual trial operations would begin in April.

Daily from March 20th to 25th, the IHT will publish a series of Sponsored Sections called

## EDUCATION WEEK

Among the topics to be covered are:

- Monday, March 20: International Education in the U.K.
- Tuesday, March 21: Business Education in France
- Wednesday, March 22: International Education in Spain International Education in Germany/Austria
- Thursday, March 23: Business Education in Scandinavia International Education in Italy
- Friday, March 24: International Education in Belgium and the Netherlands
- Saturday, March 25: International Education in Switzerland

For further information, please contact Bill Mahder in Paris at (33-1) 46 37 93 78 or fax (33-1) 46 37 50 44.

**Herald Tribune**  
THE WORLD'S DAILY NEWSPAPER



# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Bad for America's Security

The National Security Revitalization Act may have seemed like good politics when Republicans pushed it as part of their "Contract With America." But as approved by the House of Representatives on Thursday it is bad policy, and should be rejected by the Senate.

The legislation imposes drastic restrictions on American participation and funding for UN peacekeeping activities, calls for early NATO expansion into Eastern Europe, and creates a congressionally dominated commission on national security strategy. Some of its most extreme language was watered down in committee, and its original call for an early revival of a "star wars"-type missile defense system was turned back by the full House. What remains is a direct challenge to the foreign policy powers of the presidency, and the principles of both the Clinton and Bush administrations' national security strategy.

The bill establishes a 12-member commission, 8 to be named by Congress and 4 by the White House, to review the country's "long-term national security needs." There is nothing wrong with Congress examining this question, but the commission is a brazen grab by the Republican congressional leadership for authority that belongs in the executive branch.

Another provision calls for early admission of the Czech Republic, Hungary, Poland and Slovakia to NATO. Actual admission, which carries a guarantee to go to war to defend any member that comes under attack, can only be decided by the member countries of NATO.

The bill makes a hash of the politically sensitive issue of American troops serving under foreign command in joint military actions. In combat operations,

American troops are always under the direct authority of the commander-in-chief as well as overall American military command. But the House bill makes it difficult for American units to serve under foreign officers anywhere in the chain of command. This draws the wrong lesson from Somalia, where American troops got into trouble while operating under American command, and ignores the successes of joint command in the Gulf War coalition.

The bill's most impractical provision would count the cost of so-called voluntary contributions to UN peacekeeping operations against Washington's annual peacekeeping dues. These range from the costs of specialized equipment donated to peacekeepers in Cambodia to American military operations for which Washington has obtained a UN blessing, like the invasion of Haiti. Deducting the Cambodia contributions is reasonable. Subtracting the costs of the Haiti invasion is not, and could easily create a situation where the world's richest country ended up paying nothing at all to the UN's peacekeeping budget.

The right answer is to recognize that most "voluntary" peacekeeping operations have little to do with peacekeeping as normally understood, and should require explicit authorization by Congress and be paid for out of the Pentagon budget.

Despite a number of exceptions theoretically permitting the president to override its most onerous restrictions, the bill would make it all but impossible for the president to pursue a coherent national security policy. Senate moderates of both parties should amend or defeat it. If they fail, Mr. Clinton should veto it.

—THE NEW YORK TIMES

## Mexico Wins Either Way

In one sense, the election in Mexico's state of Jalisco was perfectly normal. The voters were angry about the devaluation of the peso, and they voted by a large majority to turn out the party in power. But Mexico has been a one-party authoritarian state ever since that party was organized 66 years ago, and only recently has it begun to permit the loss of any elections. Jalisco is by far its most important state, and it constitutes an important stage in Mexico's turbulent passage to genuine democracy.

Paradoxically, this resounding loss may turn out to strengthen the embattled president of Mexico, Ernesto Zedillo Ponce de León. One of the great questions in Mexican politics is the precise balance of authority between Mr. Zedillo and his party's traditionalists, who are by no means eager to risk losing office and influence in open elections. The results from Jalisco demonstrate that Mr. Zedillo can prevail and is in a position to carry out his promises of reform.

It is probably true that he is primarily interested in building up Mexico's economy, but he recognizes that he cannot do it by ignoring the political tensions in the country. It was a flare-up in the Chiapas rebellion that apparently forced the devaluation by shaking investors' confi-

dence in the country's stability. From that, the government has concluded that it cannot afford to leave large parts of the state indefinitely under the control of the insurrectionary Zapatista movement. Last week, it ordered the army to move in. But that was met over the weekend with large anti-military demonstrations in Mexico City.

Now Mr. Zedillo has called a truce, ordering the army to go no further. In a dramatic concession to the Zapatistas, the governor of Chiapas, inaugurated two months ago, has resigned. The Zapatistas had charged that he was elected by fraud and, although the evidence of it was never clear, his departure opens the way to a renewed parley with them.

Mr. Zedillo's opposition is split, which is good luck for him. It is the conservative National Action Party that has been winning the elections. The left, sympathetic to the Chiapas rebellion, is populist and obsolete, rooted in a peasant society that is rapidly disappearing. The National Action Party generally agrees with Mr. Zedillo on economics and, by the way, on Chiapas. As the governing party slowly relaxes its grip on the ballot box and permits fair elections, the basic direction of the country has not so far been at stake.

—THE WASHINGTON POST

## The Junking of Washington

Consider it certified: The financial collapse of the District of Columbia is complete, and Mayor Marion Barry has failed to address it. That is the cold official pronouncement from Wall Street: that Washington's credit rating has plummeted to junk-bond status, "no longer investment grade," as Moody's Investors Service put it. The city not only is unlikely to balance its current budget but lacks any "comprehensive long-term plan" to address the District's "structural imbalance." The question now is not whether Congress and the White House will assume greater oversight of local decision-making but what form the change will take.

Mayor Barry has yet to present a serious plan to deal with the immediate budget, never mind the restructuring and shrinking of the government that must happen. The signals to Wall Street, Congress and the world so far have consisted mainly of his last "action plan" built on dumping anything expensive on the federal government, reckless threatening of city council members who don't go along with his policies and finger-pointing at the last administration, as if the 12 years before that were on somebody else's watch.

But the numbers don't lie — anyone. Congress and the White House are combining everything and are poised to intervene. That can be constructive — or not. The Wall Street ratings merely increase the urgency of establishing some decision-making process that will do what local elected officials cannot bring themselves to do. An oversight commission

will be established, and it can work without undermining existing home-rule authority or stunting eventual growth.

None of the key congressional players in any oversight role has indicated a desire to strip away home rule. But all have made it clear that if local leaders balk at tough decisions or need reinforcement, there will be a commission ready and authorized to act. The immediate decisions involve the current budget. The fiscal year is already nearly five months shot, and as Moody's states, "even if all proposals are enacted as scheduled and bring the savings estimated, there remains a sizable budget gap." The system for financing the District is simply not working.

At least there are some encouraging, if faint, sounds from the council. Some members are actually saying that if the mayor will not take the tough steps needed — ordering layoffs, canceling pay raises and so on — they are ready to assume the responsibility. Perhaps they understand that what the city leaders fail to do will be done by others. The participation of outside decision-makers is inevitable now, but District officials can make a critical difference in how this works. They can shrug and posture and call for help — and in the process abdicate the hard-won, still-limited home rule authority that does exist here in Washington; or they can start immediately to make the big decisions to create a government that is efficient, and able to live within its available means.

—THE WASHINGTON POST

# Make the World Less Nuclear, With Zero as the Goal

By Selig S. Harrison

WASHINGTON — It is increasingly clear that the United States faces a humiliating defeat in its high-profile effort to secure "indefinite and unconditional" extension of the Nuclear Nonproliferation Treaty.

Indefinite, yes, say more and more countries, but unconditional, no, if this means freezing a global power structure in which five privileged powers are permitted to keep their nuclear weapons while others are barred from acquiring them.

The fate of the treaty will be decided at a conference of its 169 signatories in New York starting on April 17. Even to get a simple majority in favor of indefinite extension, the United States would need at least 20 more votes than it now has.

Many wavering countries would support an indefinite extension of the treaty if the nuclear powers would start to wind down their nuclear weapons in accordance with Article 6, a critical provision of the accord.

The treaty was not designed solely to stop the spread of nuclear weapons. The non-nuclear states agreed to remain that way in return for a pledge that the nuclear powers would pursue "negotiations in good faith on effective measures relating to the cessation of the nuclear arms race at an early date and to nuclear disarmament."

The White House made what it thought was a significant gesture to non-nuclear countries on Jan. 30 by relaxing its terms for a projected companion agreement banning nuclear tests.

The administration withdrew its earlier demand for an escape clause permitting the nuclear powers to pull out of that agreement and resume testing after 10 years. This was commendable, but does not begin to go far enough to satisfy the non-nuclear states. To rescue the nonproliferation treaty, the nuclear powers should take two steps now.

First, the United States and Russia should begin negotiations on a third Strategic Arms Reduction treaty that would set a timetable for a gradual decrease of nuclear weapons below the level of 3,500 each provided for in the START-2 agreement of 1991.

The timetable should project progressive and balanced reduc-

tions down to 600 strategic nuclear weapons. That is still substantially more than the 1994 stockpiles of the other three nuclear powers: France (417), China (300) and Britain (196).

Second, the START-3 dialogue should be accompanied by five-power negotiations on the "treaty of nuclear security and stability" proposed by President Boris Yeltsin in September. He envisioned "further steps" to limit Russian and American strategic nuclear weapons, and a cap on further increases in French, Chinese and British nuclear arms while the U.S.-Russian build-down progresses.

Getting from 600 to zero would require a broadened dialogue embracing undeclared nuclear powers such as India, Israel and Pakistan, and will become a realistic possibility only if continuing progress is made in es-

tablishing secure safeguards against further proliferation.

But zero should be the stated goal of American policy.

Criticism of the rigid position of the nuclear powers comes not only from Third World countries but from Japan. In November, Japan introduced a resolution in a key UN committee urging the nuclear states "to further pursue negotiations on progressive and balanced reductions of nuclear weapons in the light of Article 6 of the nonproliferation treaty." (This was later diluted only under intense diplomatic pressure from the United States, which was troubled that the initiative had come from a military ally.)

Far from honoring their Article 6 commitment, the nuclear powers have vastly increased their stockpiles of weapons. By the time the treaty came into force in 1970, the United States

and the Soviet Union together had deployed about 7,500 nuclear weapons on long-range missiles and strategic bombers.

In 1994, the number of strategic nuclear weapons alone deployed by the United States and the countries of the former Soviet Union totaled 17,000.

The U.S. Nuclear Posture Review announced in September 1994 reaffirmed the role of nuclear weapons in American strategy, did not rule out using them first, and avoided any commitment to negotiate cuts beyond START-2. The Sept. 27 statement issued by President Bill Clinton and Mr. Yeltsin spoke only of the "possibility" of further reductions.

Defense Secretary William Perry justifies this cautious policy by pointing to the danger that a reform in Russia might fail and a new government arise hostile to the United States. But nuclear nationalism in Moscow is intensified by the widespread percep-

tion that Washington wants to keep its nuclear weapons at present levels to dominate Russia.

In this view, the United States exacted unfair terms in the START-2 agreement at a time when Russia was weak, and it wants to avoid facing Russian demands for more equitable terms in START-3, especially with respect to U.S. sea-based strategic nuclear superiority.

Unless the United States agrees to discuss Russian concerns in START-3 negotiations, it is increasingly unlikely that the Parliament will ratify START-2. Thus, the Clinton administration might get the deserved blame in the history books not only for the collapse of the nonproliferation regime but for the end of nuclear arms control as well.

The writer, a senior associate of the Carnegie Endowment for International Peace, contributed this column to The New York Times.

## No, We Need These Weapons to Keep the Peace

By Gregory Clark

TOKYO — Seen from Japan, the Smithsonian-style breast-beating in the United States over Hiroshima seems highly unnecessary. Few Japanese accuse the United States of racism or of some alleged failure to understand Japan's unique value system. Some claim the 1945 atomic bombing was wrong because the Allies should have realized that Japan was on the point of surrender. But that claim does not wash.

Secret peace feelers in Moscow and Switzerland were weak and uncoordinated. The world had to take Japan at its official word: that if the Allies invaded the homeland, every Japanese would fight to the death, if necessary with bamboo spears. Tunnels needed for protracted war had already been dug deep in the Japanese Alps by Korean slave labor.

In Saipan, Iwo Jima and Okinawa, the United States had seen the ferocity of Japanese resistance, both military and civilian. There can be some debate over estimates at the time of U.S. casualties from an invasion of Japan. But estimates of 2 million Japanese casualties were, if anything, too low. In those terms, Hiroshima and Nagasaki seemed a small price to pay, particularly since the atomic bombings kept the Soviet Union from occupying part of Japan.

Pressed on these points, most reasonable Japanese will agree. Some will even accept that the scale of Japanese aggression and atrocities in Asia in the previous decade justified massive U.S. retaliation.

A respected commentator, Makahiko

Ishizuka, writing in Nikkei Weekly, notes that neither Japan nor Germany would have hesitated to use atomic weapons if they had had the chance. So why the continued emotional trauma in Japan over Hiroshima, from all sectors and not just from the nationalist anti-American right?

Some Japanese leftists say their harping on Hiroshima aims to encourage anti-war sentiment and so weaken the still strong forces of rightist nationalism in Japan.

But in the minds of most Japanese, the simple horror of nuclear weapons dominates. Casualties from the massive conventional bombing attacks on Japan late in the war were somehow more acceptable than casualties from atomic radiation. If there is one issue that unites Japan and gives consistency to its otherwise weak foreign policy, it is the so-called nuclear allergy and a genuine determination to rid the world of nuclear weapons.

Yet, ironically, Japan more than any other society proves the need for nuclear weapons. Let us accept what many Japanese say: that prewar Japan was a simple, peaceful society led astray by the forces of aggressive nationalism. But that precisely is the problem. If the Japanese could be led so far astray, so can others. Every society has its aggressive nationalists. We call them hawks. Hawks often influence national policies. In this situation, nuclear weapons

are the only way to maintain world peace.

In the three decades before nuclear weapons were developed, the world suffered two devastating world wars. Since 1945, the national tensions have continued. Hawks remain as powerful as before. Yet we have not had another world war, because even the hawks realize it would be a nuclear war.

The hawks have had their proxy wars: Greece, Malaya, Korea, Indochina, Angola, Afghanistan, Ethiopia, Eritrea, Nicaragua, Mozambique, Somalia and elsewhere. Much suffering has been caused. But it has been far less than what we would have had to suffer if the large nations had been allowed to grapple at one another's throats with conventional weapons.

If Japan, and the peace activists generally, want a slogan, it should be "Ban the Hawks," not "Ban the Bomb."

True, Tokyo does not want simply to ban the bomb. It is also trying to restrict the spread of conventional weapons by having the United Nations register global arms sales, and by moves to restrict economic aid to nations that overspend on weapons imports.

There is one more move that Tokyo could take — advocate that future financial contributions to UN peacekeeping activities come only from nations that engage in arms sales, with the size of the contribution determined by the volume of arms sales. Without the arms merchants, the world would be a much safer place.

International Herald Tribune.

## Illegal Immigrants Aren't the Only Ones Paying for This Hypocrisy

By A. M. Rosenthal

LOS ANGELES — California's plan to fight illegal immigration is tied up in the courts, and part of it has been ruled unconstitutional. Around the state, doctors, nurses and teachers say it will turn them into informers and that they will not obey it. Around the country, some prosecutors say it will not work or would increase crime.

But to most Californians these objections just stand in the way of dealing with a draining of state funds by people who have no business being in America at all.

The passion for the plan is so strong that, workable or not, it has already had results that affect the whole country.

1. Anger against illegal immi-

grants has already turned into action against legal immigrants. In Congress on Wednesday a House committee voted to strip totally legal immigrants of 35 benefits they had been receiving along with American citizens. These range from welfare payments to testing of children for lead poisoning.

2. The nation is face to face with questions that involve its character and purpose. Are immigrants still an essential part of American strength and identity? Or have they become one more American problem, a blister that gets increasingly annoying?

3. Governor Pete Wilson of California has become one of six

or seven Americans most likely to be the next president. He did not initiate Proposition 187, the package of regulations aimed at illegal immigrants adopted by Californians. But he embraced it, which helped him come from 22 points behind to win re-election.

Should Mr. Wilson seek the Republican presidential nomination, the immigration issue, plus California's 54 electoral votes, gives him enormous attention and high standing among Republicans.

I was told that Mr. Wilson was a rather dull, bland fellow. Either I have met an impostor or this is one more case of professional advisers and journalists leading their own

boredom onto a political leader. The Pete Wilson I ran into belted out "California Blues" with his wife at a dinner for Lady Thatcher one night. The next day in an interview he was direct, witty, plain-spoken, likable and in personality certainly electable.

The immigration issue, however, which was a lifebuoy in the gubernatorial campaign, could drag him down in a presidential campaign, though he doubts it.

Still, so far it has been easy for him. He says he is just talking about undocumented aliens — mostly Mexican. Who wants to fight for a bunch of illegals?

But as Congress is showing, the target is really all immigrants, legal or not.

And the California proposition will make life nasty for a lot of nonimmigrants. Nurses, doctors, teachers who run into adults or children they believe may be illegal — and who are therefore barred by Proposition 187 from most health and education services — would have to call in the cops. Maybe, and this is a long shot, Americans will take a good look at the grab bag of hypocrisies in the excommunication of Mexican illegals from American life.

They are among the hardest-working U.S. residents, the most chock-full of family values. When California agribusiness needed Mexicans for backbreaking labor in the 1980s, politicians like then-Senator Wilson got laws passed allowing Mexicans to enter as "guest workers."

What do you know? When the harvest ended some of the "guests" stayed on. Lonesome, just as if they were regular people, they brought their families over.

Now Mr. Wilson and other Californians want a kind of sunshine insurance from Washington.

Profit from Mexican labor when California badly needs it. But otherwise make Washington pay California whatever they had cost in the way of health, education and law enforcement.

The governor put in an expense item of \$10 billion. A federal court threw it out. He says he will fight on. What with the loss of defense contracts, the sun is not shining as much these days. Maybe Wall Street should get insurance payments when the Federal Reserve hikes interest.

Before I left for California, a friend asked if I was going with an open mind about the anti-immigration movement. Yes, like a car with a sliding roof panel, open but not really convertible.

The New York Times.

## The Budget Pain Will Come And the Young Will Suffer

By James K. Glassman

WASHINGTON — Up to now, the most frightening part of President Bill Clinton's budgets has been a section discussing something called "generational accounting."

The economists who wrote last year's section calculated that if the government did not change its policies on spending and entitlements, future generations would face a net tax rate of 94 percent!

That figure, buried deep inside last year's 2,000-page budget, caused a small sensation when it surfaced in the press. It reminded Americans that, while Mr. Clinton was indeed cutting the deficit, government spending, especially on Social Security and Medicare, would still overwhelm the young and children yet unborn.

So when the president's new budget came out last week, I naturally searched the four volumes for this year's section on generational accounting. It wasn't there.

I phoned Laurence Kotlikoff, the Boston University economist who developed the idea of looking at the federal budget from the point of view of the age groups that pay the bills.

A mild-mannered fellow who voted for Bill Clinton in 1992, Mr. Kotlikoff was distraught. "I think it's a big mistake," he said. "We'd assumed OMB," the Office of Management and Budget, "on this through the fall. Then, at the last minute, some of the political types in the White House threw it out."

Mr. Kotlikoff sent me the new analysis that he and Alan Auerbach of the University of California at Berkeley and Jagadeesh Gokhale of the Federal Reserve Bank of Cleveland had worked out for the budget office.

They calculated that if current policies continue, future generations will face "net lifetime tax

rates" that average 84 percent. Using more optimistic assumptions about health care spending, the net rate could be 59 to 74 percent. But that is little comfort. "Leaving such high net tax rates on future Americans is not only unconscionable, it's also economically unfeasible," Mr. Kotlikoff and Mr. Auerbach wrote.

But what to do? There are, as the Congressional Budget Office has noted, infinite paths to a balanced budget — cutting Medicare, freezing spending, raising taxes. "The real question," write Mr. Kotlikoff and Mr. Auerbach, "is not whether, but when."

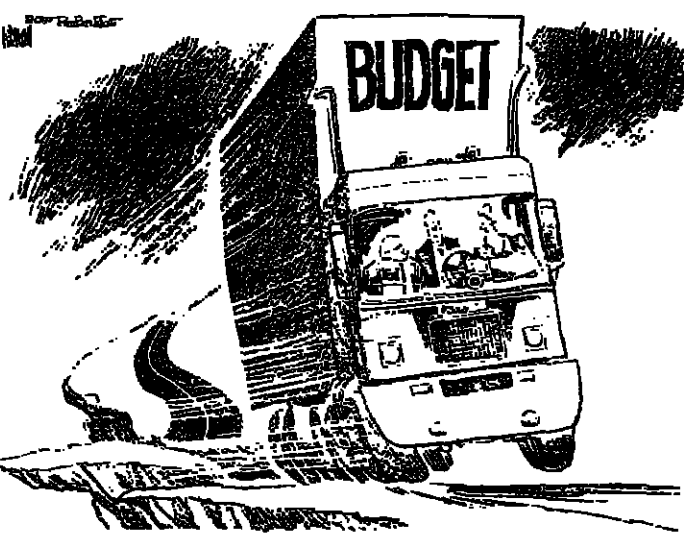
Yet in this dire emergency Mr. Clinton has proposed a budget that projects deficits of \$1 trillion over the next five years. And Republicans, so far, have been practically silent.

Which brings us back to the omission of the generational accounting section this year. Was it cut because of fears that it would prove embarrassing? That it would turn the spotlight on the deficit-cutting left undone?

Lawrence J. Haas, a spokesman for the budget office, insists that the section was not suppressed. He says it was not included in the budget simply because it was not "the kind of shape it needed to be in to be printed," and would be addressed in a paper to be published later.

When that paper is finally presented, I hope it shows that the 84 percent tax rate for future generations is only a symptom of the real disease — which is the spectacular disparity of wealth that has developed between the young and the old in America.

Consider what Capital Research Associates recently discovered about households with incomes of \$30,000 or more. Families headed by a person aged



35 to 44 had an average net worth of \$66,000, while those headed by a person 65 to 74 had \$222,000.

Eliminate real estate and the disparities are even greater. The net financial assets of a family headed by someone under age 45 averaged less than \$8,000, while those of a family headed by someone over 65 averaged more than \$77,000.

Even though the old are richer than the young, it is the old who receive the government benefits. "There has been a huge redistribution" in the past 30 years, says Mr. Kotlikoff. That shift in wealth helps explain why the U.S. personal savings rate has fallen from 6.1 percent in the 1970s to a dangerously low 3.9 percent now.

As the economist Franco Modigliani demonstrated with his life-cycle model, young people save and old people consume. So if the government takes 15 percent out of the paycheck of a saver and sticks it in the bank account of a consumer, the nation as a whole will get less saving and more consumption.

Senator Bob Packwood, the Oregon Republican who chairs the Finance Committee, warns that if Congress does not pass a balanced budget amendment, the nation would face "a cataclysmic clash between the generations when So-

cial Security begins running out in the next century."

Yes, just imagine the nightmare when we self-centered Baby Boomers reach retirement age — and there's nothing waiting.

The Washington Post.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1895: Defender's Name

NEW YORK — There is no abatement of the interest in the Cup Defender's name contest. Over twenty-five thousand letters have been received thus far. The "Yim" and other names formed of combinations of the initials of names of members of the syndicate are very popular; also the America, Washington, Golden Rod and Violet, with reference to the Herald's suggestion in 1889 that it be a flower of America.

### 1920: Smoking Outrage

ATLANTIC CITY — "This is the smoking car," tersely announced a brakeman on the "Nellie Bly" as the New York flyer was speeding toward Atlantic City. He was addressing an attractive young woman with raven-black hair. "I know it; that's

why I'm coming here," she flashed back. With that, she pulled from her pocket a large briar pipe. She puffed and blew clouds of smoke all the way to Atlantic City.

### 1945: Iwo Jima Shelled

ADMIRAL NIMITZ'S HEADQUARTERS, Guam — The bombardment of Iwo Jima is continuing, according to a communiqué by Admiral Chester W. Nimitz. The communiqué made no mention of the landing on the island as reported by the Japanese. An earlier communiqué said that the Japanese were shelling the already heavily damaged enemy air base on Iwo Jima, 600 miles south of Japan. Meanwhile, Tokyo radio, heard in London, reported two American amphibious landing attempts on Iwo Jima have been repulsed.

## International Herald Tribune

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

Richard M. Loe, Executive Editor &amp; Chief Executive

John Vinocur, Executive Editor &amp; Vice President

WALTER WINSTON, Vice Editor; NANCY L. BART, KATHERINE KNORR and CHARLES MITCHELL, Deputy Editors; CARL GIERWITZ, Associate Editor; ROBERT J. LEVIN, Editor, New York Edition; JAMES M. HARRIS, Editor, New York Edition; JAMES M. HARRIS, Editor, New York Edition; JAMES M. HARRIS, Editor, New York Edition.

International Herald Tribune, 181 Avenue Charles de Gaulle, 92521 Neuilly-sur-Seine, France. Tel. (1) 47 37 01 01. Fax. (1) 47 37 01 51. Ad. (1) 47 37 12. Internet: IHT@compuserve.com

Subscription Department, 181 Avenue Charles de Gaulle, 92521 Neuilly-sur-Seine, France. Tel. (1) 47 37 01 01. Fax. (1) 47 37 01 51. Ad. (1) 47 37 12. Internet: IHT@compuserve.com

Subscription Department, 181 Avenue Charles de Gaulle, 92521 Neuilly-sur-Seine, France. Tel. (1) 47 37 01 01. Fax. (1) 47 37 01 51. Ad. (1) 47 37 12. Internet: IHT@compuserve.com

Subscription Department, 181 Avenue Charles de Gaulle, 92521 Neuilly-sur-Seine, France. Tel. (1) 47 37 01 01. Fax. (1) 47 37 01 51. Ad. (1) 47 37 12. Internet: IHT@compuserve.com



150 من الامن

# Odilon Redon: Case of an Enigmatic Genius

**L**ONDON — Masters of the past who do not fit into ready-made categories get a rough deal. Odilon Redon, whose work is on view at the Royal Academy until May 21, enjoys the honors of a one-man show for the fourth time since 1985, yet this still fails to do justice to his stature.

The exhibition and the heavy book that goes with it, superbly produced like all Harry N. Abrams books, emphasize the more wildly imaginative and even the weird aspects of Redon's work. Other important facets of his oeuvre are more summarily dealt with. Perhaps Bertrand Jean Redon, known as Odilon after his mother, Odile, was too complex a case for our minds to take it all in at one go.

**Souren Melikian**

Parents with an unusual background—his mother was a Creole born in Louisiana, where his father met her—a lonely childhood and highly atypical training all helped to exacerbate his originality.

Redon first discovered art in the form of watercolor painting in Bordeaux with a local practitioner, Stanislas Gorin. This was followed by a year of architectural studies at the Ecole des Beaux-Arts in Paris, which he did not enjoy, and another year in the studio of Jean-Léon Gérôme, the academic painter

whose teaching and brusqueness he loathed. Back in Bordeaux in the autumn of 1865, the 25-year-old Redon met the engraver Rodolphe Bresdin who initiated him to his art.

How all this was integrated is neither shown, nor discussed in the book, heavy on psychoanalytical considerations and light on factual information relating to the art. But a glance at Redon's early works reveals that each of these early experiences left its mark.

An etching done in 1866 after a watercolor sketch painted in Saint-Jean-Pied-de-Port gives the clue to one of the few constants behind the bewildering diversity of his styles. The view displays an architectural accuracy and balance obviously inherited from his Beaux-Arts days. To the end, Redon was to retain a rigor in composition, and a feeling for construction in space unique in his time.

**T**HEY come out in an early gem, a "large landscape" in charcoal done in 1865. Behind the atmosphere of fairy-tale mystery, the layered structure combines with the enormous trunk bending across the composition to lend a rhythmic vigor that gives a different twist to the Romantic feel.

The next masterpiece, a view painted at Peyrelebad around 1868, is in a different mood. A tree rises in the middle of the intensely lighted landscape, di-



Charcoal and black chalk sketch by Odilon Redon, in Royal Academy show.



Jacques Zvoboda's "Demeter," in Prague show.

## Life Transforms A Sculptor's Art

By Michael Gibson  
International Herald Tribune

**P**RAQUE — Jacques Zvoboda (1900-1967), a French sculptor descended from Czech immigrants, began his career as a highly competent but academic artist.

At age 40, a passionate and durable liaison with the wife of his closest friend apparently sparked a mutation in his art, and he produced an extraordinary body of drawings and sculptures that are in turn an act of erotic celebration and of erotic mourning.

An exhibition at the Institut Français in Prague honors Bohemia's not quite native son, who during his lifetime was promoted by André Malraux and after his death was celebrated in a 1969 exhibition at the Musée Rodin. He did not fit into the approved aesthetic line, however, and after 30 years the outstanding quality of his work is just beginning to be acknowledged again.

Zvoboda (time and French bureaucracy altered his name from Zvoboda), began his public career in 1929 with a commission for a monument to Simón Bolívar in Quito, Ecuador. The project submitted by Zvoboda and his friend René Le-tourneur won the approval of a jury led by Aristide Maillol. Their huge equestrian statue, with its affinities with Bourdelle's triumphant mannerism, still prances on an ornate pedestal in Quito.

The commission led them to buy a piece of land in Fontenay-aux-Roses, near Paris, where they built their studio and their respective houses. The commission once completed, they worked separately. Zvoboda produced a number of competent sculptures, busts and reliefs of the sort commissioned for ocean liners and public monuments of the '30s, and drawings that in retrospect betray his latent sensuality.

**I**N 1940 his passion for Le-tourneur's wife, Antonia, erupted with desperate force and changed both his life and his art. Antonia packed her bags and moved to Zvoboda's house. The event hardly seemed to affect the men's friendship.

This would be of merely anecdotal interest if the experience had not radically transformed Zvoboda's art. His passion for Antonia generated thousands of pages of love let-



Redon's "Guardian Spirit of the Waters."

ters and a body of drawings and sculptures that mark a complete departure from the smooth academic tone of his youth.

The first stage, ending with Antonia's death in 1956, takes enthusiastic liberties with the female (and occasionally male) body, in ways that could appear reminiscent of Hans Arp's burgeoning bronzes. "Offering" shows a female nude lifting her full breasts with both hands. It is sensuous, tender and marked by a gentle humor apparent in the slightly gauche posture of the woman's legs.

But this same period saw the development of a much more allusive, near-abstract idiom, calling to mind the Ovidian legends of nymphs or humans turned into trees. Such sculptures can be interpreted either way. But, considering the sculptor's personal context at the time, one is more tempted to suppose the rounded forms of the human body in "Metamorphose" as emerging from the gnarled tree trunk.

**A**FTER Antonia's death, he undertook to build a mausoleum to her memory in the cemetery of Mentana, near Rome, where he intended to put a selection of his major works. The unfinished memorial is not an architectural success. But the years after Antonia's death also witnessed the creation of increasingly moving and tragic works. Paradoxically, their tormented forms are both more abstract and more forcefully, indeed desperately, erotic in a highly allusive manner.

"Chevauchée nocturne" shows a male and a female form swooping through the night like tattered clouds. "Animal fantastique" is a two-footed beast that is undeniably phallic. The tremendous "Demeter," or earth mother (a small piece done in baked clay), evokes both fertility and death. The front of the figure shows a tormented, big-breasted, big-bellied form; the back is as ravaged and hollowed as a millennial olive tree.

Zvoboda's life reads like a philosophical tale. He began unpretentiously, and it was his life experience that ultimately drew him out and made him a major sculptor. His work has an emotional and mythic intensity that is quite exceptional in a century that favors a technical approach to all subjects.

The exhibition at the Institut Français de Prague, Stepanka 35, runs to March 17.

vided in almost equal halves. A dramatic intensity is suggested by the light, the stark nudity, the single dark animal grazing. This is light-years away from the empty alacrity of Impressionism, from which Redon felt so far removed, and with good reason.

That sophistication in minimalist composition characterizes even the small still lifes of that period. In one, a small jar on a ledge is carved out of darkness by light reflections. Two red poppies glow against a deep brown ground while the petals of three daisies explode in gleaming whiteness.

Yet the minimalist Redon could, at intervals, indulge in a richness of detail worthy of Claude Lorrain, as can be seen in a river landscape done in charcoal and black chalk in 1868.

**E**VEN studies painted outdoors, such as the sketch of a tree emerging from undergrowth reduced to a golden haze, are rigorously ordered. The patches of blackish green and reddish brown and toned blue at the top are distributed with obvious concern for careful color balance. Another, a beach landscape painted in 1883 in tones of beige, blue and white, is both classical in its construction and modernist in its nudity. It escapes labeling. So does Redon's masterpiece of 1888, "Street in Samois," with its classical perspective and its disregard of detail in favor of tonal surfaces. It represents a school unto itself.

A Symbolist phase followed, in which much would again qualify as kitsch were it not for the painterly mastery and the color schemes that anticipate Fauvism. In full control of his means as were few painters in his time, Redon forged ahead outside any recognized group. "Woman With a Yellow Bodice," a pastel of around 1899, belongs to timeless European portraiture. So does the portrait of Madame de Domecy, a pastel

done in 1902, with its curious association of facial draftsmanship and Fauve colors. "Flower Clouds," done about 1903, has Fauve colors, too, distributed in light pastel splashes as in a dream of sea and sky blending together, with a ghostly boat silhouette floating on the water.

Then came some of the most beautiful still lifes in European painting, such as the study of fruits on a table from the Ordrup Gaardsamlingen or "Flowers in a Turquoise Vase." Each one opens doors onto vistas that Redon alone explored. He had his own flights into abstraction, as in "Red Screen." With that seemingly endless aptitude at renewal and assimilation of new ideas, the artist comes out of this as the most enigmatic genius of 19th-century European art.

## ART EXHIBITIONS

THE NETHERLANDS

**THE EUROPEAN FINE ART FAIR**

The international fair for paintings, antiques, textile arts and modern painting and sculpture

MECC MAASTRICHT THE NETHERLANDS

With a full Programme of Concerts and Lectures

11-19 MARCH 1995

Monday - Friday 11.00 - 20.00  
Saturday & Sunday 10.00 - 18.00

Info Tel: (31-73) 143165

TRAVELERS FROM BASEL

GREAT BRITAIN

**ARTSCOPE INTERNATIONAL**

Competitive asset protection from an established insurance broker offering a discreet and highly personalised service to discerning clients throughout Europe.

Contact: Aron Shapiro or Richard King  
Tel: 071-705 7600 Fax: 071-705 7625

Artscope International Insurance Services Ltd  
A member of the RHH Global Art Group

FRANCE

FROM 16 TO 26 MARCH 1995

**PARIS ANTIQUES' FAIR**

ILE DE CHATOU

DIRECT ACCESS FROM PARIS TO CHATOU BY R.E.R. EXPRESS LINE.

SYNDICAT NATIONAL DU COMMERCE DE L'ANTIQUITE ET DE L'OBJET D'ART Tel: (33-1) 47 70 88 78

FRANCE

**LAURIN - GUILLOUX - BUFFETAUD - TAILLEUR**

Associated Auctioneers

12, rue Drouot, 75009 Paris - Tel: (33-1) 42 46 61 16 - Fax: (33-1) 47 70 12 51

Drouot-Richelieu - Rooms 5 & 6

Wednesday, March 15 & Thursday, March 16, 1995 at 2 p.m.

Library P. Z.

**HIGHLY IMPORTANT PRINTED BOOKS AND MANUSCRIPTS**

TRAVEL - MAPS - NATURAL HISTORY - SCIENCE and MEDICINE  
EARLY and CONTINENTAL BOOKS - FRENCH LITERATURE  
from 16<sup>th</sup> to 20<sup>th</sup> century - MODERN - ILLUSTRATED BOOKS and BINDINGS - IMPORTANT AMERICAN BOOKS and AUTOGRAPHS

LECLERCQ, Premier établissement de la Foire dans la Nouvelle France, 1691. Very rare copy, complete with the general map of the Nouvelle-France.

Experts:

Mr Thierry BODIN - Expert près la Cour d'Appel de Paris  
45, rue de l'Abbe Grégoire - 75006 Paris  
Tel: (33-1) 45 48 25 31 - Fax: (33-1) 45 48 92 67

Mr Dominique LAUCOURNET - 2, rue Rossini - 75009 Paris  
Tel: (33-1) 45 23 39 28 - Fax: (33-1) 48 24 19 04

Exhibitions:

Private: at LAURIN-GUILLOUX-BUFFETAUD-TAILLEUR office from Monday, March 6 to Saturday, March 11, 1995, 10 a.m. to 12.30 a.m. - 2 p.m. to 5.30 p.m.

Public: at Drouot-Richelieu - Room 5 & 6 Tuesday, March 14, 1995 from 11 a.m. to 6 p.m.

Catalogue available at the auctioneer's office from beginning of February 1995.

**auCTION sales**

IN FRANCE

PARIS

**DROUOT RICHELIEU**

9, Rue Drouot, 75009 Paris - Tel: (1) 48 00 20 20.

Wednesday, March 1, 1995

Room 1 at 2.15 p.m. - JEWELRY - OBJETS DE VITRINE - OLD AND MODERN SILVERWARE. Experts: MM. R. Dechaux and Th. Sauter, 12, de Sevins. On view: Tuesday, February 28, from 11 a.m. to 6 p.m. - Wednesday, March 1, from 11 a.m. to 12 a.m. ETUDE TAJAN, 37, rue des Mathurins, 75008 PARIS. Tel: (1) 53 30 30 31. In NEW YORK please contact: Kelly Mays-Henry & Co. Inc. 16 East 65th Street, fifth floor, N.Y. 10021. Phone: (212) 737 35 97 / 737 38 13 - Fax: (212) 861 14 34.

Friday, March 3, 1995

Room 1 at 2.15 p.m. - 19th AND 19th CENT. FURNITURE AND OBJETS D'ART - IMPORTANT GROUP OF SCULPTURE. Experts: MM. O. Le Puel and R. de l'Espee. On view: Thursday, March 2, from 11 a.m. to 6 p.m. - Friday, March 3, from 11 a.m. to 12 a.m. ETUDE TAJAN, 37, rue des Mathurins, 75008 PARIS. Tel: (1) 53 30 30 31. In NEW YORK please contact: Kelly Mays-Henry & Co. Inc. 16 East 65th Street, fifth floor, N.Y. 10021. Phone: (212) 737 35 97 / 737 38 13 - Fax: (212) 861 14 34.

**YOU SAW THIS AD.**

So did nearly half a million potential art collectors worldwide.

Shouldn't you too advertise in the

**INTERNATIONAL HERALD TRIBUNE?**

**Spink deal in**

English Paintings and Watercolours  
Oriental, Asian and Islamic Art  
Textiles - Medals - Militaria  
Coins - Bullion - Banknotes

**SPINK**

SPINK & SONS LTD 5 & 7 KING ST ST JAMES'S LONDON, ENGLAND SW1A 2JG TEL: 071-931 7888 FAX: 071-839 4853 TELEX: 90711

**ANTIQUE**

**ORIENTAL ANTIQUES**

We buy and sell Japanese Antiques of the Edo and Meiji Periods:  
Fine Satsuma, Iwano, Japanese cloisonne, bronzes, Samurai swords, fans and more.  
(14th century through 19th century)

**FLYING CRANES ANTIQUES LTD.**  
1050 Second Avenue, Gallery #56  
New York, N.Y. 10022  
Tel: (212) 223-4600 - Fax: (212) 223-4601

**Galerie**

Lucie Weill-Seligmann

6, rue Bonaparte, 75006 Paris  
Tel: (33-1) 43 54 71 95

**Cocteau**

Original ceramics

December 15th to Feb 28th

**Herald Tribune**

**OUR NEXT SPECIAL REPORT ON ARTS & ANTIQUES**

will appear on

**April 22, 1995**

For further information please contact  
in the International Herald Tribune

Kimberly Goerand-Bertracourt (Paris) - Tel: (1) 46 57 94 76  
Adele Grossman (USA) - Tel: (212) 752-3890  
Sarah Hill (U.K.) - Tel: (71) 836-4802  
Carola Lay (Germany) - Tel: (69) 72 67 55



**Friday's 4 p.m. Close**  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month						5%			
High	Low	Stock	Div	Yld	PE	100%	High	Low	Latest Chg

[illegible][illegible]

Month	High	Low	Stock	Div	Yld	PE	Ratio	High	Low	Lowest	CYR
Jan	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Feb	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Mar	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Apr	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
May	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Jun	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Jul	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Aug	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Sep	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Oct	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Nov	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00
Dec	100.00	95.00	100.00	1.00	1.00	1.00	1.00	100.00	95.00	90.00	1.00

[illegible][illegible][illegible]

Year	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	

卷之四  
 四  
 五  
 六  
 七  
 八  
 九  
 十  
 十一  
 十二  
 十三  
 十四  
 十五  
 十六  
 十七  
 十八  
 十九  
 二十  
 二十一  
 二十二  
 二十三  
 二十四  
 二十五  
 二十六  
 二十七  
 二十八  
 二十九  
 三十  
 三十一  
 三十二  
 三十三  
 三十四  
 三十五  
 三十六  
 三十七  
 三十八  
 三十九  
 四十  
 四十一  
 四十二  
 四十三  
 四十四  
 四十五  
 四十六  
 四十七  
 四十八  
 四十九  
 五十  
 五十一  
 五十二  
 五十三  
 五十四  
 五十五  
 五十六  
 五十七  
 五十八  
 五十九  
 六十  
 六十一  
 六十二  
 六十三  
 六十四  
 六十五  
 六十六  
 六十七  
 六十八  
 六十九  
 七十  
 七十一  
 七十二  
 七十三  
 七十四  
 七十五  
 七十六  
 七十七  
 七十八  
 七十九  
 八十  
 八十一  
 八十二  
 八十三  
 八十四  
 八十五  
 八十六  
 八十七  
 八十八  
 八十九  
 九十  
 九十一  
 九十二  
 九十三  
 九十四  
 九十五  
 九十六  
 九十七  
 九十八  
 九十九  
 一百

[illegible][illegible]

*[The page contains faint, illegible text arranged in vertical columns, likely bleed-through from the reverse side.]*

1. The first part of the document is a list of names and their corresponding addresses. The names are listed in the left column, and the addresses are listed in the right column. The names are: John A. Smith, John B. Smith, John C. Smith, John D. Smith, John E. Smith, John F. Smith, John G. Smith, John H. Smith, John I. Smith, John J. Smith, John K. Smith, John L. Smith, John M. Smith, John N. Smith, John O. Smith, John P. Smith, John Q. Smith, John R. Smith, John S. Smith, John T. Smith, John U. Smith, John V. Smith, John W. Smith, John X. Smith, John Y. Smith, John Z. Smith. The addresses are: 123 Main St., 456 Main St., 789 Main St., 101 Main St., 202 Main St., 303 Main St., 404 Main St., 505 Main St., 606 Main St., 707 Main St., 808 Main St., 909 Main St., 1010 Main St., 1111 Main St., 1212 Main St., 1313 Main St., 1414 Main St., 1515 Main St., 1616 Main St., 1717 Main St., 1818 Main St., 1919 Main St., 2020 Main St., 2121 Main St., 2222 Main St., 2323 Main St., 2424 Main St., 2525 Main St., 2626 Main St., 2727 Main St., 2828 Main St., 2929 Main St., 3030 Main St., 3131 Main St., 3232 Main St., 3333 Main St., 3434 Main St., 3535 Main St., 3636 Main St., 3737 Main St., 3838 Main St., 3939 Main St., 4040 Main St., 4141 Main St., 4242 Main St., 4343 Main St., 4444 Main St., 4545 Main St., 4646 Main St., 4747 Main St., 4848 Main St., 4949 Main St., 5050 Main St., 5151 Main St., 5252 Main St., 5353 Main St., 5454 Main St., 5555 Main St., 5656 Main St., 5757 Main St., 5858 Main St., 5959 Main St., 6060 Main St., 6161 Main St., 6262 Main St., 6363 Main St., 6464 Main St., 6565 Main St., 6666 Main St., 6767 Main St., 6868 Main St., 6969 Main St., 7070 Main St., 7171 Main St., 7272 Main St., 7373 Main St., 7474 Main St., 7575 Main St., 7676 Main St., 7777 Main St., 7878 Main St., 7979 Main St., 8080 Main St., 8181 Main St., 8282 Main St., 8383 Main St., 8484 Main St., 8585 Main St., 8686 Main St., 8787 Main St., 8888 Main St., 8989 Main St., 9090 Main St., 9191 Main St., 9292 Main St., 9393 Main St., 9494 Main St., 9595 Main St., 9696 Main St., 9797 Main St., 9898 Main St., 9999 Main St.

一、（一） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。  
 二、（二） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。  
 三、（三） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。  
 四、（四） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。  
 五、（五） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。  
 六、（六） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。  
 七、（七） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。  
 八、（八） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。  
 九、（九） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。  
 十、（十） 凡在本行存款，其利息按日计算，按月结息，于每月末随本付给。

1. The first part of the document is a list of names and their corresponding addresses. The names are listed in the left column, and the addresses are listed in the right column. The names are: John A. Smith, John B. Smith, John C. Smith, John D. Smith, John E. Smith, John F. Smith, John G. Smith, John H. Smith, John I. Smith, John J. Smith, John K. Smith, John L. Smith, John M. Smith, John N. Smith, John O. Smith, John P. Smith, John Q. Smith, John R. Smith, John S. Smith, John T. Smith, John U. Smith, John V. Smith, John W. Smith, John X. Smith, John Y. Smith, John Z. Smith. The addresses are: 123 Main St., 456 Main St., 789 Main St., 101 Main St., 202 Main St., 303 Main St., 404 Main St., 505 Main St., 606 Main St., 707 Main St., 808 Main St., 909 Main St., 1010 Main St., 1111 Main St., 1212 Main St., 1313 Main St., 1414 Main St., 1515 Main St., 1616 Main St., 1717 Main St., 1818 Main St., 1919 Main St., 2020 Main St., 2121 Main St., 2222 Main St., 2323 Main St., 2424 Main St., 2525 Main St., 2626 Main St., 2727 Main St., 2828 Main St., 2929 Main St., 3030 Main St., 3131 Main St., 3232 Main St., 3333 Main St., 3434 Main St., 3535 Main St., 3636 Main St., 3737 Main St., 3838 Main St., 3939 Main St., 4040 Main St., 4141 Main St., 4242 Main St., 4343 Main St., 4444 Main St., 4545 Main St., 4646 Main St., 4747 Main St., 4848 Main St., 4949 Main St., 5050 Main St., 5151 Main St., 5252 Main St., 5353 Main St., 5454 Main St., 5555 Main St., 5656 Main St., 5757 Main St., 5858 Main St., 5959 Main St., 6060 Main St., 6161 Main St., 6262 Main St., 6363 Main St., 6464 Main St., 6565 Main St., 6666 Main St., 6767 Main St., 6868 Main St., 6969 Main St., 7070 Main St., 7171 Main St., 7272 Main St., 7373 Main St., 7474 Main St., 7575 Main St., 7676 Main St., 7777 Main St., 7878 Main St., 7979 Main St., 8080 Main St., 8181 Main St., 8282 Main St., 8383 Main St., 8484 Main St., 8585 Main St., 8686 Main St., 8787 Main St., 8888 Main St., 8989 Main St., 9090 Main St., 9191 Main St., 9292 Main St., 9393 Main St., 9494 Main St., 9595 Main St., 9696 Main St., 9797 Main St., 9898 Main St., 9999 Main St.

一、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。  
 二、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。  
 三、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。  
 四、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。  
 五、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。  
 六、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。  
 七、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。  
 八、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。  
 九、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。  
 十、中華民國二十二年，五月，二十日，下午，二時，至，四時，止。

[illegible]

*[The page contains dense handwritten text in Devanagari script, which is mostly illegible due to blurring and poor scan quality.]*

[illegible][illegible][illegible][illegible][illegible]

*[The page contains faint, illegible markings and bleed-through from the reverse side.]*

[illegible][illegible]

1. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。
 2. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。
 3. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。
 4. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。
 5. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。
 6. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。
 7. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。
 8. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。
 9. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。
 10. 凡在本行開辦之各項業務，其手續費及手續費之徵收，均應依照本行所定之標準辦理。

[illegible][illegible][illegible][illegible][illegible][illegible]

الاصلي

[illegible][illegible]

(Continued on page 11)

(Continued on page 11)

هكذا من الاصل

**THE TRIB**

**Fall**

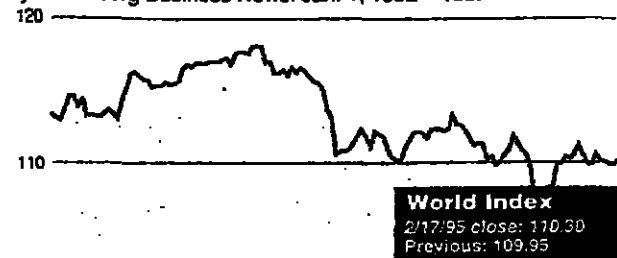
C  
 cy  
 seg  
 pres  
 the  
 fac  
 mus  
 high  
 bu  
 bega  
 inter  
 with  
 com  
 labor  
 been  
 fall  
 feder  
 state  
 port  
 on  
 on  
 ing  
 ing  
 al  
 T  
 un  
 tes  
 m  
 "The  
 app  
 mark  
 said  
 on

[illegible]

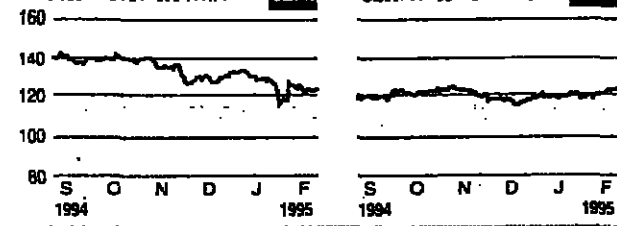




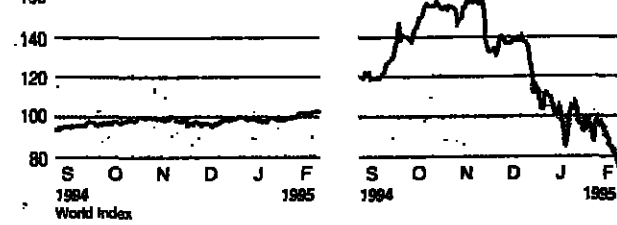
**THE TRIB INDEX: 110.30**  
International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



**World Index**  
2/17/95 close: 110.30  
Previous: 109.95



**Europe**  
2/17/95 close: 110.30  
Previous: 109.95



**North America**  
2/17/95 close: 110.30  
Previous: 109.95

The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and elsewhere. The index is composed of the 50 top issues in terms of market capitalization, otherwise the top 100 issues are tracked.

Industrial Sectors	Pd. close	Prev. close	% change
Energy	114.57	114.05	+0.46
Utilities	111.73	109.94	+1.63
Finance	110.55	110.05	+0.45
Services	106.48	105.88	+0.55
Capital Goods	110.61	111.35	-0.66
Raw Materials	128.79	127.92	+0.66
Consumer Goods	104.60	104.55	+0.05
Miscellaneous	117.65	116.99	+0.55

## U.S. Sets Record In Trade Deficit

**WASHINGTON** — Growing trade imbalances with Japan and China contributed to a sharp widening in the overall U.S. trade deficit during 1994, despite some improvement in December, the Commerce Department said Friday.

The trade deficit dropped in December to \$7.34 billion, the smallest monthly deficit in nine months. But the full-year figure shot up 43 percent, to a total of \$108.11 billion, as the deficit on trade in goods alone soared to record levels.

The total trade gap measures business with other countries both in hard goods, like cars and steel, and in services, like travel and tourism. The United States typically runs a surplus on services trade with the rest of the world but runs huge deficits on goods because of high imports.

While President Bill Clinton has cited big trade deals as one of his major achievements since taking office, the new figures demonstrated in stark terms the challenges the United States faces in the global economy.

A spokesman for Mr. Clinton insisted that the sharp rise in the deficit last year would not deter the government from continuing its efforts to lower trade barriers around the world.

Deficits in goods trade with Japan and China both set records last year. The Japanese imbalance climbed 11 percent, to \$65.7 billion, or more than half the total U.S. trade deficit, while the trade gap with China surged 30 percent, to \$29.5 billion.

Many economists predict the United States' trade fortunes will improve this year as improving economies overseas boost U.S. exports while the economic

## Eat Cheesecake, Look Fabulous: The Sara Lee Diet

By Leslie Wayne  
New York Times Service

Everyone knows its cheesecake and other treats. But Sara Lee Corp. also reaps bottom-line advantages by selling products that make sure its foods do not wreak too much havoc on the waistline.

The company's latest innovations are "Smooth Illusion" panty hose, which promise to trim five pounds off the look of any woman's bottom, and the "Wonderbra," which promises new lift in the chest.

With a product lineup like that, Sara Lee, based in Chicago, is reaching new heights. But analysts say there is more to this company than rich cheesecake and thin thighs.

Sara Lee, whose shares reached a 52-week high of \$27.125 last week, is benefiting from a restructuring charge of \$735 million taken last year to streamline the company. That effort is paying off in lower operating costs at a time when consumer stocks are beginning to return to favor.

Shares of Sara Lee lost 12.5 cents to \$25.75 in New York Stock Exchange trading Friday.

"So many portfolios have been overweighted with technology stocks," said Caroline Levy, an analyst for Lehman Brothers who rates the company a long-term buy. She said Sara Lee stock could once again reach its record high of \$33 a share. "Money is now coming back into consumer stocks," she added, "and this company is undervalued on a long-term basis."

Sales at Sara Lee rose 16 percent last quarter from a year earlier, and income rose nearly 7 percent. The company's sales for the year ending June 30 are expected to reach about \$17 billion.

About half the company's sales and earnings come from its branded food division — baked goods and products sold under the Hillshire Farms, Ball Park and Mr. Turkey labels.

See **CAKES**, Page 11

## U.S.-China Gap Widens Jet Sale at Risk as Talks Don't End Dispute

By Kevin Murphy  
International Herald Tribune

**HONG KONG** — China and the United States ended four days of talks in Beijing Friday with U.S. diplomats saying there were still "significant" differences between the two sides as they sought to avert a trade war.

"U.S. negotiators have had frank and detailed discussions with their Chinese counterparts on protection for audiovisual products, computer software, border enforcement and trademarks," a U.S. Embassy spokesman said in Beijing.

"Some progress has been made," the spokesman said of talks aimed at finding a way to end widespread trademark, patent and copyright piracy in China. "But significant differences have yet to be resolved."

Further talks were scheduled throughout the weekend as Beijing raised the stakes in its dispute with Washington over protecting intellectual property in China.

On Friday the official China Daily newspaper reported that a \$2 billion Chinese order for Boeing Co. jetliners could be canceled if Washington imposed punitive tariffs on more than \$1 billion of Chinese goods as it has threatened to do after Feb. 26.

Beijing has already threatened to retaliate against U.S. companies seeking to invest in major Chinese projects if Washington refuses to accept its timetable and methods for curbing copyright piracy.

China Southern Airlines said it might turn to Boeing's European rival Airbus Industrie to fill an order for eight Boeing 777 planes and 25 Boeing 737s if the trade dispute widened.

China has become one of Boeing's most important export markets.

Earlier in the day, Robert Eaton, chairman of Chrysler Corp., said in Bangkok that the automaker's proposed \$1 billion minivan project in China had been stalled by the dispute.

Ford Motor Co. also said Friday that its expansion plans in China were being hampered by the disagreement.

Ford has plans to invest as much as \$90 million over the next six months in building plants in China to make parts, according to a Bloomberg Business News report from Beijing.

"I believe it would be very foolish to halt a long-planned mission involving energy because this rough patch had occurred," Mrs. O'Leary said in Hong Kong, contrasting the long-term nature of power-sector investment with the immediate copyright-protection debate.

"I'm ever aware of the need to resolve that issue, but my business goes on," she said, adding that the U.S. trade representative, Mickey Kantor, whose office is handling the intellectual-property negotiations with China, had briefed her at length on the issue. "We're very clear about the difference of our two portfolios."

In a week of meetings with Chinese officials and power-industry executives, Mrs. O'Leary said she would stress the need for greater transparency and consistency in China's regulatory and licensing procedures.

"People in this industry," she said, "want to know after they have spent millions of dollars on proposals that they are going to get a 'go' or a 'no go'."

Difficult decisions over the conditions that should be granted to foreign investors in power-generation projects have become bogged down in the political uncertainty surrounding the succession to China's 91-year-old senior leader, Deng Xiaoping, analysts have said.

## IG Metall Strike Looms as Union Rejects Pay Talks

Compiled by Our Staff From Dispatches

**FRANKFURT** — The IG Metall union rejected a management offer Friday of weekend pay talks and said a strike in the German metalworking industry was now inevitable.

The union's president, Klaus Zwickel, said nothing in management's position had changed and that employers had squandered a last chance for an agreement. IG Metall has called for a strike ballot in the southern German state of Bavaria beginning Monday and said the

strike could begin as soon as votes were counted.

Earlier on Friday, the employers' association Gesamtmetall made an offer to the union of weekend talks, saying it would come to the table with concrete proposals. But it also repeated its position that any wage rises had to be accompanied by measures to contain costs in other areas.

Management has not yet made a firm pay offer in response to the union's call for a 6 percent wage increase.

Hans-Joachim Gottschol, president of Gesamtmetall, said the offer of talks had been communicated to IG Metall in the form of a letter, part of which said that the association wanted "above all" to avoid a "social conflict."

Promising that the association would offer wage increases but declining to be specific, Mr. Gottschol said, "Our main and common aim is to ensure that existing jobs are kept and new ones created." Gesamtmetall leaders had gathered in Frankfurt to address the strike threat.

Meanwhile, in Munich, IG Metall was planning how the strike would be organized. Analysts said the trade union intended to target the Bavarian-based automaker Bayerische Motoren Werke AG, or BMW.

Werner Neugebauer, head of the union's Bavarian local, said the union was prepared for a strike. "We are ready for all possible situations," he said.

A strike by IG Metall was only narrowly avoided in 1994 wage negotiations. (Reuters, AFP, APF)

## ECONOMIC SCENE

### Falling Dollar: Why Worry?

By Tom Petruno  
Los Angeles Times Service

Congratulations, of sorts, to the U.S. dollar, which this month marks the 10th anniversary of its birth market. Perhaps in commemoration, currency traders grabbed the buck and shook it again this week, sending it down near its previous lows against the Deutsche mark and the yen.

Ten years of a mostly declining currency might seem nothing to celebrate, especially in light of Mexico's current financial crisis.

But the dollar's long devaluation, which began in February 1985 and has been running intermittently ever since, has been achieved with relatively little of the pain that some economists predicted 10 years ago.

Indeed, the warnings heard this week have been making headlines for a decade — that a falling dollar, whose root problems are a huge federal budget deficit and an equally massive trade deficit, will (1) discourage investment in U.S. securities; (2) boost inflation; and thus interest rates, by raising prices on imported goods; (3) depress Americans' relative standard of living and (4) lower global confidence in the U.S. economy.

Theoretically, all are true. But in practice, investors who have been avoiding U.S. securities because of dollar concerns have badly miscalculated.

"The idea that a weak dollar would have an appreciable negative effect on U.S. financial markets has been a losing bet for a long time," said James Grant, publisher of Grant's Interest Rate Observer newsletter.

The U.S. stock market, as measured by the Dow Jones industrial average, hit a record high this week at more than three times its early 1985 level. Long-term bond yields are lower today than in 1985 despite last year's rate rise.

As for inflation, the "core" consumer price index, excluding food and energy costs, rose 2.6 percent last year, the lowest rise in 29 years.

The dollar doomsayers have been wrong for a number of reasons, analysts point out. The benefits of a weak dollar — in particular, the pricing advantage for U.S. exporters — may have been underestimated 10 years ago. Helped by the dollar, U.S. industry's global competitiveness has soared, along with sales and earnings for many U.S. companies.

Japanese and German exporters, meanwhile, have had to find ways to cut costs rather than force higher prices on American consumers. Thus, inflation has been contained.

As for declining foreign investment in U.S. stocks and bonds, Americans owned most of their own securities 10 years and still do today. Foreign investors own only 5.6 percent of U.S. stocks, which means the well-being of U.S. markets does not depend on foreigners.

Does it really not matter, then, if the dollar begins a fresh slide? That question may be debated a lot in coming months, because new pressures are building on the dollar: the threat of a slowing U.S. economy, fallout from the U.S.-engineered Mexican bailout plan and the possibility of higher interest rates in Europe, which could cause more investment there and less in the United States.

If the past 10 years are any guide, however, any negative effects from dollar weakness on U.S. securities will be short-lived.

## Trump Sues Landmark Leaseholders

By Kenneth N. Gilpin  
New York Times Service

**NEW YORK** — Donald J. Trump, the financier who last summer gained a 50 percent interest in the Empire State Building without investing a penny, has filed a \$100 million eviction suit against the building's management company and others, claiming lease violations.

Trump Empire State Partners claimed the Empire State Building Co., holder of the operating sublease on the building since 1961, had allowed the 102-story landmark to deteriorate into a "second-rate, rodent-infested" office tower.

The lawsuit, filed Wednesday in state Supreme Court in Manhattan, followed a notice of violations the Trump group sent in December to Empire State Building Associates, holder of the master lease on the building. The suit also comes at a time when the ownership of the building itself has been challenged.

"Many of the items in the lease have not been lived up to," Mr. Trump said. "If that is the case, the lease is going to be terminated in court."

A spokesman for the building's operators called the suit a "specious and frivolous fiction."

# We can't keep on meeting like this.

In planes. In hotels. In the street. Oh it's exciting every time we feel your hands on us, your eyes on us. And we know it does something special for you as well. Couldn't we see if we can turn this into something more serious? Here's an offer that should make us irresistible — the International Herald Tribune for three months, or even a year, for as little as half the newsstand price! So fax or mail the coupon now.

### New Subscriber Offer

Mail or fax to: International Herald Tribune, 181, avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.  
For full information: Fax (+33-1) 46 37 06 51

Yes, I want to start receiving the International Herald Tribune every day. The subscription term I prefer is (check box): 18-2-95

☐ 12 months (+ 2 months free).  
☐ 3 months (+ 2 weeks free).

☐ My check is enclosed (payable to the International Herald Tribune).  
☐ Please charge my: ☐ American Express ☐ Diners Club ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard

Credit card charges will be made in French Francs at current exchange rates.

Card No. \_\_\_\_\_  
Exp. date \_\_\_\_\_ Signature \_\_\_\_\_

For business orders, please indicate your VAT number:  
(VAT number: FR 47320211261)  
☐ Mr. ☐ Mrs. ☐ Ms.

Family name \_\_\_\_\_  
First name \_\_\_\_\_  
Mailing Address: ☐ Home ☐ Business  
City/Code \_\_\_\_\_ Country \_\_\_\_\_  
Tel. \_\_\_\_\_ Fax \_\_\_\_\_

Country/Currency	12 months + 2 months FREE	% SAVINGS for 1 year	3 months + 2 weeks FREE
Austria A. Sch.	6,000	37	1,800
Belgium B. Fr.	14,000	41	4,200
Denmark D. Kr.	3,400	33	1,050
France F. Fr.	1,950	40	580
Germany D. M.	700	32	210
Great Britain £	210	32	65
Ireland £H.	230	37	68
Italy Lire	470,000	50	145,000
Luxembourg L. Fr.	14,000	41	4,200
Netherlands Fl.	770	40	230
Portugal Esc.	47,000	44	14,000
Spain Ptas.	48,000	41	14,500
-hand deliv. Madrid Ptas.	55,000	39	14,500
Sweden (airmail) S. Kr.	3,100	34	900
-hand delivery S. Kr.	3,500	28	1,000
Switzerland S. Fr.	610	46	185

**Herald Tribune**  
THE WORLD'S DAILY NEWSPAPER

## CURRENCY & INTEREST RATES

Cross Rates										Eurocurrency Deposits										Key Money Rates									
Feb. 17										Feb. 17										Feb. 17									



## MARKET DIARY

## Stock Prices Slip From Their Peak

Compiled by Our Staff From Dispatches

**NEW YORK** — Stocks fell Friday, following bonds and the dollar lower, as traders realized that although a slowdown in the U.S. economy is good news for inflation, it can be bad news for company earnings.

A warning from Motorola that sales of its cellular phones had slowed sent technology shares lower.

The Dow Jones industrial average dropped precipitously 15 minutes before the final bell when options on stock indexes and individual stocks expired simultaneously. An option gives its purchaser the right, but not the obligation, to buy or sell something at an agreed price by a given time.

The Dow closed 33.98 points lower at 3,953.54. Advancing issues outnumbered declining ones by a 4-to-3 margin on the New York Stock Exchange, where about 350 million shares changed hands, compared to 360 million on Thursday. Before the options expiration, the Dow had lost about 9 points.

The Standard & Poor's 500 index, dragged down by Motorola, fell 3.25 points to 481.97.

The price of the 30-year Treasury bond fell 3/32 to 100 15/32, pushing the yield up to 7.58 percent from 7.57 percent.

On Thursday, the Dow and the S&P 500 indexes reached new highs. The Dow industrials have gained about 3 percent since the end of January amid growing confidence that interest rates will not rise further.

But the dollar's recent weakness has led investors to worry that the Federal Reserve may have to raise interest rates to support the currency. Higher rates tend to hurt stocks because they make fixed-income investments more attractive.

Technology companies whose stocks fell after Motorola's announcement included Compaq Computer, which ended down 1 1/4 at 36 1/4. Digital Equipment fell 1/2 to 35 1/2, and Lotus Development dropped 1/4 to 45 1/4.

Long-distance telephone companies fell for the second day in a row, after AT&T Corp. announced plans for a series of rate cuts.

AT&T fell 1/2 to 50 1/2. Its main competitors also fell.

(Bloomberg, AP)

## TRADE: Record Deficit in Goods

Continued from Page 9

growth rate slows, cutting demand for foreign goods.

December's deficit figure included a \$12.66 billion deficit on goods trade that was offset by a \$5.32 billion surplus on services.

Exports in December were up 3.2 percent, to \$63.57 billion.

## Foreign Exchange

while imports fell from November levels by 1 percent, to \$70.91 billion.

But the full-year trade deficit in 1994 was the highest since a \$114.8 billion shortfall in 1988. The goods deficit alone last year was a record \$166.3 billion — surpassing the previous record of \$159.7 billion in 1987 — while the surplus on services trade posted a modest 2.3 percent increase, to \$58.18 billion.

The trade figures would have looked even worse except for a fall in oil prices in 1994. The average price per barrel was \$14.22, the lowest since 1988. With the price decline, the United States' foreign oil bill last year totaled \$49.58 billion, down 1.3 percent from 1993.

(Reuters, AP, Bloomberg)

## Dollar Hits a Low Mark

The dollar on Friday slumped to a 28-month low against the Deutsche mark and fell against other major currencies ahead of a U.S. holiday weekend amid concern that repercussions from Mexico's ongoing financial crisis would hurt the U.S. economy.

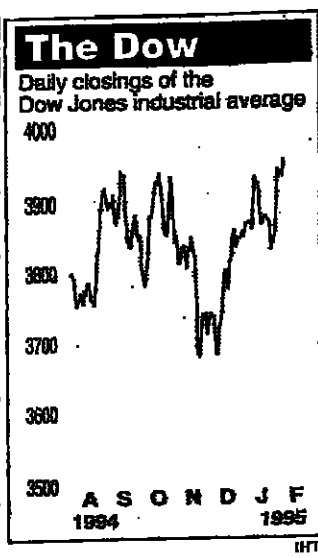
In late trading the dollar fell to 1.4810 DM from 1.4890 DM on Thursday.

Against the Japanese currency, the dollar slipped to 97.300 yen from 97.405 yen.

The dollar's plunge prompted speculation that the Federal Reserve might start buying dollars to support the ailing currency. For a time, such talk served to bolster the dollar, but fear of Fed buying waned as the day wore on and the dollar slumped again, currency traders said.

The pound rose to \$1.5825 from \$1.5785. Against the Swiss franc, the dollar fell to 1.2525 francs from 1.2602 francs. The U.S. currency also was down to \$1.5400 French francs from 1.5400.

Most U.S. markets will be closed Monday for Presidents' Day.



NYSE Most Active

Symbol	High	Low	Close	Chg.
IBM	100.00	99.00	99.00	-1.00
Microsoft	50.00	49.00	49.00	-1.00
Apple	40.00	39.00	39.00	-1.00
Oracle	30.00	29.00	29.00	-1.00
Sun	20.00	19.00	19.00	-1.00
HP	10.00	9.00	9.00	-1.00
Intel	5.00	4.00	4.00	-1.00
Motorola	4.00	3.00	3.00	-1.00
AT&T	3.00	2.00	2.00	-1.00
Verizon	2.00	1.00	1.00	-1.00

NASDAQ Most Active

Symbol	High	Low	Close	Chg.
IBM	100.00	99.00	99.00	-1.00
Microsoft	50.00	49.00	49.00	-1.00
Apple	40.00	39.00	39.00	-1.00
Oracle	30.00	29.00	29.00	-1.00
Sun	20.00	19.00	19.00	-1.00
HP	10.00	9.00	9.00	-1.00
Intel	5.00	4.00	4.00	-1.00
Motorola	4.00	3.00	3.00	-1.00
AT&T	3.00	2.00	2.00	-1.00
Verizon	2.00	1.00	1.00	-1.00

AMEX Most Active

Symbol	High	Low	Close	Chg.
IBM	100.00	99.00	99.00	-1.00
Microsoft	50.00	49.00	49.00	-1.00
Apple	40.00	39.00	39.00	-1.00
Oracle	30.00	29.00	29.00	-1.00
Sun	20.00	19.00	19.00	-1.00
HP	10.00	9.00	9.00	-1.00
Intel	5.00	4.00	4.00	-1.00
Motorola	4.00	3.00	3.00	-1.00
AT&T	3.00	2.00	2.00	-1.00
Verizon	2.00	1.00	1.00	-1.00

Market Sales

Market	Today	Prev.
NYSE	349.98	423.94
AMEX	14.61	22.64
NASDAQ	26.51	30.77

## Germany Said to Block Bid

Bloomberg Business News

**NECKARSULM, Germany** — Kolbenschmidt AG, an auto-parts maker, said Friday that Germany's federal cartel office would block a bid by T&N PLC to take a controlling interest in it.

T&N, a British auto-parts concern, has options to acquire 52.5 percent of Kolbenschmidt for 262.6 million Deutsche marks (\$189 million). It has applied for authorization to assume a majority stake.

Kolbenschmidt said the cartel office had issued a preliminary ruling blocking the acquisition, giving T&N until March 3 to respond. T&N said it wasn't aware of the ruling. "We haven't heard anything," Mike Bailey, a spokesman, said.

Open	High	Low	Close	Chg.
Indus	3964.42	3964.16	3953.54	-33.98
Transp	1260.14	1271.40	1263.33	-1.13
Comp	1944.44	1944.44	1927.17	-17.27
Unl	124.34	124.34	123.33	-1.01

Open	High	Low	Close	Chg.
Indus	481.00	481.00	481.97	-3.25
Transp	124.00	124.00	123.00	-1.00
Comp	194.00	194.00	192.00	-2.00
Unl	124.00	124.00	123.00	-1.00

Open	High	Low	Close	Chg.
Composite	263.27	263.27	261.83	-1.44
Indus	31.43	31.43	31.43	-0.01
Transp	2.00	2.00	2.00	-0.01
Comp	21.21	21.21	21.21	-0.01

Open	High	Low	Close	Chg.
Composite	78.40	78.40	78.37	-0.03
Indus	1.00	1.00	1.00	-0.01
Transp	0.00	0.00	0.00	-0.01
Comp	0.00	0.00	0.00	-0.01

Open	High	Low	Close	Chg.
AMEX	14.61	14.61	14.61	-0.01
Indus	1.00	1.00	1.00	-0.01
Transp	0.00	0.00	0.00	-0.01
Comp	0.00	0.00	0.00	-0.01

Open	High	Low	Close	Chg.
30 Year	97.30	97.30	97.30	-0.10
10 Year	97.30	97.30	97.30	-0.10
5 Year	97.30	97.30	97.30	-0.10
2 Year	97.30	97.30	97.30	-0.10

Open	High	Low	Close	Chg.
Advanced	144.00	144.00	144.00	-0.01
Declined	144.00	144.00	144.00	-0.01
Unchanged	144.00	144.00	144.00	-0.01
New Highs	144.00	144.00	144.00	-0.01
New Lows	144.00	144.00	144.00	-0.01

Open	High	Low	Close	Chg.
Advanced	144.00	144.00	144.00	-0.01
Declined	144.00	144.00	144.00	-0.01
Unchanged	144.00	144.00	144.00	-0.01
New Highs	144.00	144.00	144.00	-0.01
New Lows	144.00	144.00	144.00	-0.01

Open	High	Low	Close	Chg.
Advanced	144.00	144.00	144.00	-0.01
Declined	144.00	144.00	144.00	-0.01
Unchanged	144.00	144.00	144.00	-0.01
New Highs	144.00	144.00	144.00	-0.01
New Lows	144.00	144.00	144.00	-0.01

Open	High	Low	Close	Chg.
Aluminum	1.00	1.00	1.00	-0.01
Copper	1.00	1.00	1.00	-0.01
Gold	1.00	1.00	1.00	-0.01
Oil	1.00	1.00	1.00	-0.01
Silver	1.00	1.00	1.00	-0.01

Open	High	Low	Close	Chg.
Aluminum	1.00	1.00	1.00	-0.01
Copper	1.00	1.00	1.00	-0.01
Gold	1.00	1.00	1.00	-0.01
Oil	1.00	1.00	1.00	-0.01
Silver	1.00	1.00	1.00	-0.01

Open	High	Low	Close	Chg.
Aluminum	1.00	1.00	1.00	-0.01
Copper	1.00	1.00	1.00	-0.01
Gold	1.00	1.00	1.00	-0.01
Oil	1.00	1.00	1.00	-0.01
Silver	1.00	1.00	1.00	-0.01

Open	High	Low	Close	Chg.
NYSE	263.27	263.27	261.83	-1.44
AMEX	14.61	14.61	14.61	-0.01
NASDAQ	78.40	78.40	78.37	-0.03
Indus	31.43	31.43	31.43	-0.01
Transp	2.00	2.00	2.00	-0.01

SP500 - pris of 100 pcd				
Mar	93.07	93.04	93.05	- 0.01
Jun	92.32	92.27	92.31	Unch.
Sep	91.86	91.81	91.86	Unch.
Dec	91.54	91.48	91.54	Unch.
Mar	91.29	91.24	91.30	Unch.
Jun	91.12	91.07	91.11	- 0.02
Sep	90.97	90.94	90.97	- 0.02
Dec	90.91	90.85	90.89	- 0.04
Mar	90.87	90.84	90.87	- 0.04
Jun	90.87	90.86	90.84	- 0.04
Sep	90.82	90.82	90.83	- 0.02
Dec	90.82	90.82	90.82	- 0.02



The plan was supported by other Arab nations including Egypt and Jordan, as well as the Palestine Liberation Organization and Israel, all of which expected the bank to be a source of additional financing.

1,300 pence after the board's offer. The stock closed at 1,112, up 19.  
(Reuters, Bloomberg, AFX)

**Very briefly:**

- West German monthly wages rose 1.6 percent in 1994, while the average working week became 0.4 percent shorter, at 37 hours and 40 minutes.

AFX, Bloomberg, AP, AFP

**Banque Nationale de Paris, Rhône-Poulenc SA and Union des Assurances de Paris.**  
The government has no plans to fully

for You" bakery line. When Sara Lee restored the taste, and the calories, sales took off.

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST  
THE WORLD'S DAILY NEWSPAPER



[illegible][illegible][illegible]

هكذا من الأصل







**FIRST COLUMN**

# Markets' Psyche Is Child's Play

**T**HERE is something satisfying about the words in themselves — the psychology of investing, of money, of the markets. The idea that these remote, cold, otherwise mechanical activities might have a warm, quirky, quasi-human mind brings the world of finance just that little bit closer to our understanding.

But beware the dangers of anthropomorphism. A blanket assumption that the markets can be psychoanalyzed is about as dangerous as approaching a bear in the wild and expecting it to behave like Winnie-the-Pooh.

The most dangerous mind games tend to take place on the foreign exchanges, where governments and their central banks have often found themselves aligned against foreign exchange traders in recent years. It has been an unequal contest.

The bankers and the politicians have pointed to economic data (for the purposes of this argument, if few others, "facts") and claimed — often with good reason — that exchange rates should reflect the strength of their economies.

French officials argued for a stronger franc in the summer of 1993 when the markets sold it against the German mark and twisted the European monetary grid out of shape. The government and its (notionally independent) bankers had a good case. But the markets went ahead and sold the franc anyway. Why? Because they could, because instinct told them that the herd was moving that way.

The annoying aspect for the French (and the British and Italians before them) was that by trying to stem the tide through aggressive buying, all that happened was the transfer of their currency reserves to the dealers' bonus funds. The essential point is that the markets do have a psyche — but not one of a rational adult, more that of a small, petulant child.

M.B.

## A Stock Index Will Tell the Real Story — or Will It?

By Martin Baker

**P**SYCHOLOGICAL market barriers suffer from an acute credibility problem. The center of the debate is more fundamental than whether the Dow Jones Industrial Average will break the 4,000 mark or whether the German DAX share index will fall below 2,000. The question to be answered is whether they exist at all.

On one side of the debate stand the financial scientists. They argue that markets are, if not perfect, efficient in finding the correct price for the assets (shares, commodities, interest rate futures, etc.) traded. If only rationally relevant information, such as a company's results or significant economic data, is considered in pricing an asset, it follows that the level of a market index will not have significance.

Why? Because the market index, so the reasoning goes, is just an empty abstraction, a way of measuring the overall performance of that market. In itself it can have no relevance to the value of the constituent parts of that index.

For example, the price of Microsoft stock should not be affected by the proximity of the indexes of which it is a part — "psychologically significant" index levels. These are typically thought of as being round numbers ending with two zeros such as 2,300 or 600.

The placing of a large software order by a major client or the opening up of a new Asian market, however, would be rationally relevant and would affect the value of Microsoft's share price. On the basis of this reasoning, the level of an index is merely a function of lots of rationally priced assets. And if those constituent assets are rationally priced, the index cannot be subject to "psychological" barriers.

On the other side of the argument stand two schools of thought.

The first is based on academic research and indicates that indexes tend to close at numbers ending with two zeros. The second is a philosophical argument that concerns the nature of numbers. This reasoning examines the ability of numbers to describe the entities that they purport to measure.

In his paper on psychological barriers in

asset prices and the efficient market hypothesis, published in 1990 (see accompanying graphic), Mr. R. Glen Donaldson contended that international data tended to show a hesitancy on the part of traders to push popularly tracked indexes across a "resistance level" with two zeros. He argued that this information was not rationally relevant to the pricing of the individual companies.

Put at its crudest, the paper's data revealed impressive evidence that the indexes' closing prices fought shy of a double-zero point, with lots of closings just short

**Evidence suggests there are in fact such things as psychological barriers. Once a double-zero point has been crossed, the markets tend to move up or down fast.**

of the point. Then, once the double-zero point had been crossed, the markets would move up or down fast.

The image is very much that of the horse which shies away from a fence and then finally finds the courage to jump over it. In statistical language, it is shown that the distributive frequency of index closings is sharply lower on double-zero points, when, if double-zero points are to be ignored according to the efficient-market hypothesis, the distribution should be random — and ultimately evenly spread if an infinite number of examples are taken.

So what we have is empirical evidence suggesting that the markets do in fact take account of double-zero closings, that there is such a thing as a psychological barrier.

The second strand of the argument asserts that psychological barriers do exist and examines the nature of indexes as numbers. It then draws a parallel between philology and the philosophy of mathematics.

How far is it from New York to Boston? Should the answer to that question come back as "five hours," most people would believe that they had been effectively and

### The Psychology of Investing

**Page 15**  
An automatic way to avoid greed and fear  
Psychoanalyzing the markets  
Is fun profitable?

**Page 17**  
Assessing seasonal factors  
Why is selling so difficult?

appropriately answered. Yet the mutual satisfaction of interrogator and respondent is epistemological nonsense: their understanding is based upon a set of assumptions that permits a question that appears to be about distance to be satisfactorily responded to in terms of time.

The shared assumptions underpinning that simple exchange are myriad. It can be safely stated that both parties assume a voyage is to be made, that the voyage will be by automobile, that weather conditions are normal, that the driver will use large freeways as opposed to picturesque country routes, that speed limits will be exceeded no more than is usual.

Briefly, if the question "how far is it from New York to Boston?" can be satisfactorily answered by the statement "five hours," so the question "what's the market doing today?" can be satisfactorily answered by "up 20." In both cases, the question and answer are phrased in language that is metaphorical at its tersest and most compressed.

The essence of indexation is the attribution of a numerical value to an entity that financial analysts variously describe as a "benchmark" or "barometer" or "indicator."

But the precise basis on which the number is calculated is the subject of intense debate within the financial industry. The appearance of each new index generates further argument, usually regarding the perceived worth of the index. The arguments almost invariably center on the method of calculation that leads to the final number. The number itself is generally accepted as an absolute, a measure imbued with some kind of scientific objectivity.

But it can be argued that a "measure" is itself a form of metaphor and is itself subjective.

In his book "Physics as a Metaphor," Dr. Roger Jones argues persuasively that the notion of objectivity is a false god, a comfortable icon that scientists are pleased to worship. His conclusion is that physics can be an aid in understanding the world about us and, indeed, "life" if we cease to pretend it is external and objective and if we embrace its subjectivity.

But a more modest proposition will suffice for the purposes of examining the nature of an index. The argument runs that numbers are metaphors, and, as expressed through the medium of an index that purports to be a measure, they are necessarily subjective. It is further contended that we can begin to analyze and understand the way markets and indexes interact by using a subjective approach.

Numbers themselves are difficult to define. Natural numbers, or integers, seem easy enough. But let's take the case of what would seem to be the easiest number of all: one. We see one man. But what if he has just one leg? Or has lost an eye? There is still one man, although society has developed special words for this kind of person.

Again, what if the man is very short? Society again has developed special words for very short people. Or if his growth is not stunted, but he is sixteen, technically adult, but quite small? Immediately we realize we are describing someone by a series of qualities — height, age, the requisite number of limbs.

This example shows us two things: That numbers can be broken down into sets, and that deciding which list of traits should characterize the set needed to make up a "man" is an essentially subjective decision. The observer decides what is important, and this constitutes the definition of one man. Thus the simplest number of all — one — is really dependent on subjective assessments of what constitutes the concept of "oneness" as applied to a man.

The notion of number as metaphor may not seem relevant to the "real" world, where we use numbers to measure things — the circumference of the earth, the distance to the moon, the width of an electron — with superb accuracy. Man has landed on the moon, after all, so how relevant is the subjective, metaphorical nature of numbers, and, by implication, measurement?

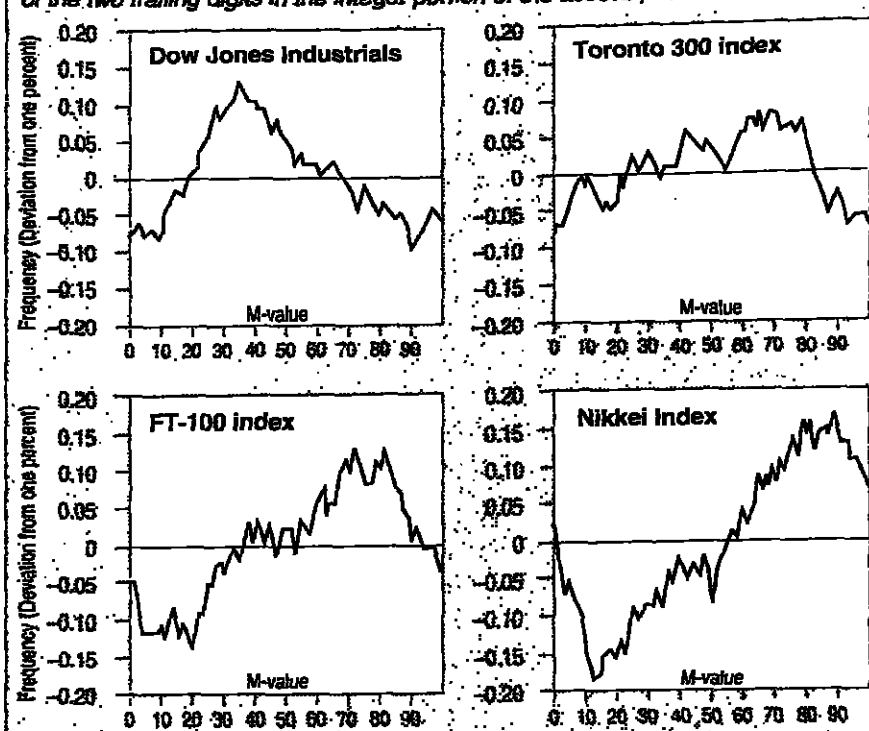
The answer is that it is very important indeed. The argument that measurement is really no more than subjective confirmation of "objective" data, such as the length, breadth and depth of a table, is in no way refuted by the operational efficacy of the numerical metaphor.

Where the notion of measurement fails is in its ability to describe the things to which it applies. Newtonian physics was efficient enough to get man to the moon. But Einstein's theory of the universe is generally accepted to describe the universe more satisfactorily. In other words, we can measure accurately, but measurement does not describe what we measure. Part of the reason for this is that scientific theory, like number theory, is metaphorical insofar as it is based on subjective intuition of principles which go in directions predetermined by their underlying assumptions.

Mr. Jones tellingly compares scientific theory to a set of railroad tracks — we know how to get to Chicago from New York. The principles allow us to predict with certainty how long it will take, when we have to change trains etc. But (as a parallel to failing to tell us about the country in between the two cities), the railroad system (like scientific theory) will not tell us how to get to the small town 30 miles from Chicago that lacks rail service.

### Charting Psychological Barriers

Price frequency distributions for M-values in four markets. M-value is the value of the two trailing digits in the integer portion of the asset's price.



Source: R. Glen Donaldson, Princeton University, Financial Research Center.

## The Crux of the Debate on Barriers

In view of the length and complexity of the accompanying article on psychological barriers, here is a synopsis.

Can there be such things as "psychological barriers" for financial markets? The term psychological barrier is often used for markets as the indexes used to track them approach a round number, such as 1,000. But do they, can they, really exist? There are two sides to the argument.

If you believe in the efficient market theory, the answer is "no." All that matters, according to this theory, is relevant information that the market uses to price a share. The index is just a figure calculated by compiling many share prices, so to pay attention to the level of an index and pretend it has some psychological value is a mistake. It is to put the financial cart before the horse.

There are two counter-arguments to this.

The first is based on statistical research that shows indexes tend not to close on the "round numbers" which are often called psychological barriers. This seems strange. Why? Because if markets only pay attention to share prices and not the level of the index, indexes should close on round numbers just as often as they would on other numbers.

The second argument in favor of the existence of psychological barriers states that indexes, like numbers, are a form of metaphor.

They are reasonably good at measuring, but not describing market activity. Numbers are a useful metaphorical shorthand to help us assess a market as we would assess the feasibility of a long journey or an important purchase.

A corollary of the index as metaphor is that analysts should expect psychological barriers to play a role and take them into account in investment strategies.

Measurement works on the same level as the 19th-century politician Metetrnich's definition of truth. Truth, he once stated, is that which is confidently asserted and plausibly maintained.

What this tells us is that for politicians, as for economists and the creators of indexes, what matters is not the substantive content of the data with which they operate, but the fact that it is accepted as data — that it is operationally true. Thus Metetrnich's operational definition of truth holds good for the circumstances in which he requires it to function — the apparent veracity and efficacy of words as used in the black art of statecraft.

The financial parallel with operational truth is clear. An index, expressed as a number, will not tell us how certain sectors or individual companies have done (the market is up 20, that's all). And the individual pricing of companies will not tell us how the company itself is doing as a business, merely how the market perceives that business, and how this translates into a price.

**It can be argued that an index is a form of metaphor but life is littered with examples of how numerical metaphors have a powerful influence over behavior of individuals, singly and collectively.**

Thus a corporation within an index and the indexes within the market are victims of the reductive nature of numbers as metaphor, numbers which measure accurately enough, but do not describe what is really going on.

Reliance on numbers to do something that they are not suited to do — namely to describe as well as measure — has a number of key ramifications. The most important and obvious effect is on market index behavior. This argument contends that indexes as metaphor have a special value of their own, whether attributed to them consciously or otherwise by the market.

Beyond this point, empiricism offers us very blunt tools of analysis. If, however, we accept the notion of number and index as metaphor, we can go further. We can take the idea of metaphor as a worthwhile prime concept in itself and ask what the markets should do with it.

In his book "Metaphor," David E. Cooper examines one view of the primacy of metaphor: "This is the theory, very roughly, that metaphorical talk is temporally and logically prior to literal talk."

the powerful symbolism of numerical metaphor.

How far away is Boston? The answer "five hours" tells us it is a trip that can be made in a day. Whereas the sixteen hours to Chicago puts the journey into a different category of strenuous journey.

This use of numerical metaphor as a kind of differential symbol is sometimes more conscious. Classic examples are to be seen in every department store, where one of the oldest marketing ploys is still considered effective: A coat sells at \$199.95, rather than \$200. Why? Because the consumer is being asked to consider the object as being in the \$100 price range — even though right at the top of that range — as opposed to being in the \$200 category and so, perhaps, automatically excluded as unaffordable.

Since the coat is priced at \$199.95, the consumer's points of comparison are different, and he is not being asked to jump the \$200 pricing level — a kind of psychological barrier. Merchandisers at least seem to understand the importance of psychology in asset pricing theory. What counts is not the 10 cent price reduction, but the number as differential symbol, or relational metaphor.

Already we have a significant problem with "perfect market" notions of the market as an efficient arbiter of asset prices: Such theories do not take account of the way we, as human beings, use numbers to measure and describe, to symbolize and simplify.

A second important consequence flows from the thesis that metaphor is prime — a kind of autonomous language that is internally valid and need not represent an underlying reality — we need not look for a correlation between the movement of the index (the numerical metaphor) and the economic reality of the commercial fortunes of the companies in the index.

If metaphor is prime, the numerical value of the index has an importance because of its place within the continuum of the metaphor. In other words, the attitude of the markets should be expected to be like the fairy tale of the emperor's clothes with a twist: the emperor really is wearing clothes (that is, there really is a psychological barrier) until the people decide that he's naked (once a barrier is passed, it is no longer psychologically significant).

For the program designers, the challenge is there: find the psychological barriers, and program some fuzzy logic into the system. Office management systems use fuzzy logic in budgeting for extra personnel cover on Mondays. Why Mondays? There is of course no special reason for staff to fall sick on Mondays, other than the fact that individuals often feel less inclined to go into work.

If office management systems can identify the work-shy, why can't trading programs look at closing prices and second-guess psychological barriers?

The Money Report is edited by  
Martin Baker

A DIVERSIFIED PORTFOLIO OF CASH, BONDS & EQUITIES

# NEW GLOBAL BALANCED GROWTH FUND

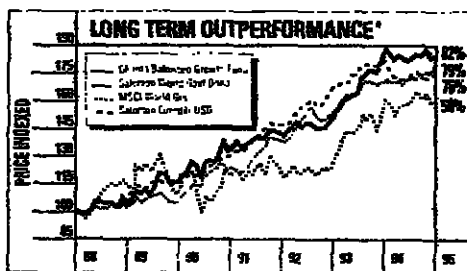
Guinness Flight's new Global Balanced Growth Fund offers investors:

- A lower risk, internationally diversified, portfolio of cash, bonds and equities - designed for investors who have neither the time nor inclination to make their own investment decisions.
- Guinness Flight's proven record of performance in managing international balanced portfolios.

We believe that this is a particularly timely opportunity given that:

- Real bond yields worldwide are currently at high levels and with the recent rise in US and UK interest rates, the opportunity now exists for a significant bond market rally.
- A rise in bond prices should prompt an upward move in equity markets, internationally, given their generally reasonable valuations.

However, to take advantage of these opportunities requires skill in timing and asset allocation. Our expertise in this area is proven by the performance of our existing International Balanced Growth Fund. In addition, over the longer term the Fund's balanced approach aims to offer protection from increasingly volatile markets.



The Guinness Flight International Balanced Growth Fund, launched in July 1988, is a roll-up equivalent of the new Global Balanced Growth Fund. It has achieved the key objectives of any balanced fund - the outperformance of cash, bonds and equities at a level of risk well below the average for its sector.

Return to: Guinness Flight Fund Managers (Guinness) Limited, Guinness Flight House, PO Box 250, St Peter Port, Guernsey, GY1 3QH. Tel: (+44) 1 481 712176, Fax: (+44) 1 481 712068. Please send me details of Guinness Flight's new Global Balanced Growth Fund.

Title \_\_\_\_\_ Surname \_\_\_\_\_ Initial \_\_\_\_\_  
Address \_\_\_\_\_  
Country \_\_\_\_\_

**GUINNESS FLIGHT  
GLOBAL BALANCED GROWTH FUND**

\* Source: Morningstar. Offer to sell: gross income investment 11.8% to 12.5% in US. Five year performance: 51.2%. 1 Source: Morningstar. Five year return: 44.0%. Guinness Flight Global Balanced Growth Fund is a sub-fund of Guinness Flight Global Strategy Fund Limited. Past performance is not necessarily a guide to the future. The value of this investment and the income arising from it may fall as well as rise and is not guaranteed. Issued by Guinness Flight Global Asset Management Limited, a member of IARRO and Lando. Minimum investment: US\$150,000.

155 من الاموال



## THE MONEY REPORT

## Steady Investment: Less Pain?

By Baie Netzer

FANS of immediate gratification are no friends to investing. Indeed, when it comes to reaping a share of individual investors' paychecks, most banks, brokers and mutual fund companies compete as much against shiny new sports cars, the latest in stereo systems and other consumer goods as they do against each other.

To win the battle with the consumption demon in all of us, financial firms have set up plans which automatically deduct a specific amount from a paycheck or bank account on a regular basis and then direct those funds toward investments. Whether used for savings bonds, mutual funds or stock investing, these plans are proving increasingly popular among retail investors who have trouble abstaining from more enjoyable activities in favor of saving for longer-term goals such as retirement.

At the discount brokerage Charles Schwab, for instance, the number of automatic money transfers from paychecks, bank accounts or government agencies to no-load mutual

fund shares rose 117 percent in the past year. During the same time period, funds automatically deposited in Schwab money market accounts climbed to more than \$500 million, an increase of 39 percent. Boston-based Fidelity Investments also reported a 40 percent increase in automatic purchases of fund shares in 1994.

Today, with extensive computer networks in place, almost every bank, mutual fund company and brokerage house can electronically shuffle money around from place to place at a customer's request. For investors, the psychological advantage of using these services to invest automatically is clear. If money is deducted from a paycheck, it never exists as cash in hand and therefore cannot be spent. If funds are automatically transferred from a bank account, an investor never has to write out and send a check, a task that is often postponed or forgotten.

"We think there's going to be a tremendous move toward automated fund transfers," said David Jones, a spokesman for ShareLink, Europe's largest discount brokerage. "Customers can choose to invest a certain amount every month but they

never give up control over their money."

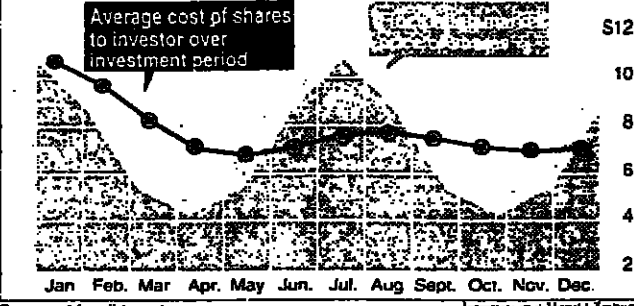
There are also financial advantages to periodic investing: whether money is transferred bimonthly, monthly or quarterly, so-called "dollar cost averaging" - or investing the same dollar amount in a stock or mutual fund on a regular basis - reduces the average cost of an investment over time. In a bull market, investors with \$100 to spend will walk away with fewer shares than they would in a bear market. If automatic investing is pursued over a number of market cycles, the larger number of low-cost shares in a portfolio will lower the average price.

In addition, the pleasure in seeing money compound over time is winning more and more converts to automatic investing. This has largely helped dividend reinvestment plans gain in popularity, according to Joseph Tighe, editor of Standard & Poor's Directory of Dividend Reinvestment Plans.

Mr. Tighe estimates that approximately 800 U.S. corporations currently use such plans to encourage long-term investment in their stock. Under these types of plans, a company automatically reinvests an investor's

## Automatic Investing

Dollar-cost averaging illustrated



Source: Merrill Lynch

dividends in additional shares of stock. The company does not charge a commission and may even offer a discount of 3 to 5 percent on the share price. As new shares are accumulated, the dollar amount of dividends reinvested climbs.

Over time, the results can be lucrative. Those who invested \$1,000 in shares of the mutual fund company Franklin Resources ten years ago would have now accumulated shares worth about \$81,000 through the plan, according to Mr. Tighe. A similar investment in chewing-gum maker William Wrigley's plan would have grown to \$20,000.

"For the individual investor, DRIPs are a convenient and inexpensive way to buy shares," said Mr. Tighe. "But it's important for people not to forget that they have to pay taxes on the dividends even though they don't receive them in cash."

Noting the dramatic popularity of the programs, Charles Schwab began offering automatic, commission-free dividend reinvestment on stock held by Schwab customers in June 1992. At the end of 1994, approximately \$3.4 billion in equity held in Schwab accounts was slated for dividend reinvestment, an increase of 142 percent over the previous year.

Until now, automatic investing appears to have had more success among U.S. investors than among Europeans.

For starters, the brokerage's feng shui sages predicted an "earthquake or abnormal volcanic activity" in Japan several weeks before the Kobe catastrophe. Strictly speaking, the earthquake occurred in the Year of the Dog but, as one fund manager pointed out, the sages were a lot more precise than the scientists.

Last year the sages also called most of the major movements in the Hong Kong and other Asian markets. After a rocky start, the CLSA Feng Shui Index accurately charted the upswing in May, the decline in July and the rise in August and September. Predictions about a

## Bulls Bank on Year of the Pig: As Chinese Calendar Unfolds

By Aline Sullivan

Forget beta factors, capital market equilibrium theory and efficient frontiers. This year, the stock market spoils will fall to pig-headed investors.

The Chinese Year of the Pig began on Jan. 30. The pig is a cheery animal, held in high regard in much of the Far East. His reign should imbue investors with new feelings of optimism and cleverness, enabling several of the world's stock markets to scale all-time highs.

Balderdash? Perhaps. But skeptics should take another look. For over a thousand years the Chinese have been basing personal and business decisions on the juxtaposition of various elements and animal signs, or feng shui. Feng shui sages have had remarkable forecasting success by interpreting these relationships and adding a healthy dose of knowledge based on current events and local gossip.

The brokerage Credit Lyonnais Securities Asia (CLSA) recently produced its fourth annual survey of leading feng shui sages, mostly to amuse clients but also to provide them with information that many are beginning to value. To date, the forecasts have been remarkably accurate.

For starters, the brokerage's feng shui sages predicted an "earthquake or abnormal volcanic activity" in Japan several weeks before the Kobe catastrophe. Strictly speaking, the earthquake occurred in the Year of the Dog but, as one fund manager pointed out, the sages were a lot more precise than the scientists.

Last year the sages also called most of the major movements in the Hong Kong and other Asian markets. After a rocky start, the CLSA Feng Shui Index accurately charted the upswing in May, the decline in July and the rise in August and September. Predictions about a

new low in December were right on target. The record in the previous two years was even more impressive, most notably in 1992, the Year of the Monkey.

"Clients are coming back at the end of each quarter and half year to ask what the next forecast is," said Jonathan Compton, head of the Asian desk at Credit Lyonnais in London. "It is like a personal horoscope - people just want to check it. But there is also a lot of common sense in the predictions."

Other professional investors wonder if there may be more to it than that. "The predictions can be disturbingly accurate," said Margaret Gadow, manager of the \$42 million Robert Fleming Save and Prosper China Dragon Fund. A spokesman for Standard Chartered in London said the Chinese lunar year was "something we take very seriously."

But this year has not worked to plan, at least so far. The feng shui experts consulted by CLSA all predicted a very strong start to the year in all the Asian markets with large Chinese populations.

In any other year, they would have been right. "The lunar new year is like Christmas, Easter and New Year all rolled in to one," said Ms. Gadow. "People get their bonuses then and pay off their debts. There is a lot of money flowing around and, traditionally, it is a time for markets in the Far East to rally."

The year started instead with a whimper. Investors are more worried about high interest rates and depressed Hong Kong real estate values than they are enthusiastic about the new lunar year, analysts said. But confidence should pick up as the optimistic pig makes his presence felt.

"It's simply an old-fashioned interest rate cyclical downturn," said Ms. Gadow. "But we expect global interest rates to peak this year, so we do have

cause for optimism. We think markets are near their lows. That all fits in with the Year of the Pig."

The Month of the Snake (May 6 to June 5) will be the most volatile, the sages agreed. That is because the Snake and Pig dislike and distrust each other. More trouble is in store in December when most of the gains made on the Hang Seng index in the first half of the year will be lost. But in January, the last year of the lunar month, property prices will rally and improved economic news will push the market back up.

All told, the Asian economies will continue to surge ahead in the Year of the Pig. In particular, South Korea and Vietnam will show rapid growth, while Japan's economy will be improved despite further political reshuffles (always a safe bet).

"The Year of the Pig will be of critical importance for China," the CLSA sages agreed. Admittance to the World Trade Organization and a strong recovery in agriculture will be offset by several tragic catastrophes. Earthquakes and the safety of nuclear and power facilities in Guangzhou and Shenzhen are particular worries.

In Hong Kong, residents will enjoy a relatively stable year. "The economy will be booming but ongoing work on land reclamation, the new airport and the Western tunnel will restrict the flow of money into the region. Resultant economic growth will be moderate."

The sages further predict John Major losing his job as Prime Minister, greater conflict in the Middle East and more outbreaks of disease in India and Pakistan. On a personal level, dragons (people born in 1928, 1940, 1952, 1964, 1976 and 1988) are in for a great year, while snakes (1929, 1941, 1953, 1965, 1977 and 1989) face major challenges.

## Fathoming All the Fads With a Staff Psychologist

By Rupert Bruce

WHEN the U.S. Department of Labor reported last September a lower increase in the number of non-farm workers employed than the consensus forecast on Wall Street, Sant Cassia Investment Management's staff psychologist Alexander Hardwicke judged it to be time to sell the company's U.S. Treasury bond holdings.

This might seem ironic because in the normal run of events Treasury bonds would rise on news which would ap-

pear to dampen inflation. But Mr. Hardwicke, 24, was vindicated and T-bond prices fell back later that day - after Sant Cassia had completed its sale. What Mr. Hardwicke had realized was that a significant number of short-term investors were slavishly following a technical indicator called the Elliot Wave Theory to guide them.

The better-than-expected payroll numbers would - and did - trigger a small rise in bond prices, but that in turn would bring prices to a level at which the theory would dictate that investors sell. Even though Sant Cassia still liked T-bonds on a long-term basis, it sold its

holding ahead of the crowd and avoided taking short-term losses.

Philip Manduca, investment director and founder of London-based Sant Cassia, decided to employ a psychologist when he founded his investment management company in late 1993 because he believed that while economic fundamentals might dictate the broad levels of financial markets in the longer term, shorter-term movements were governed by the fashionable theories of the moment.

So, he reasoned, if he was to make money for his investors without sharp short-term vola-

tility, he should hire the skills of a psychologist.

"Before we enter a market, we have to have a very clear understanding of what the other participants are looking to do or have done," said Mr. Manduca.

Sant Cassia seems to be unique in Europe and perhaps in the rest of the world in having a professional psychologist on its staff. But many investment companies are coming to appreciate that understanding the minds of financial market participants will help them make money. The result is that many of them are becoming amateur psychologists themselves while others subscribe to newsletters that lean heavily on market psychology and attend talks given by specialists in this field.

According to David Fuller, the owner and author of Fuller Money, a popular newsletter that has been analyzing the mass psychology of world markets from London since 1969, most interest stems from the currency and bond markets.

"This is largely because currency and bond people have long recognized the almost impossible task that fundamental analysts face when judging currencies and bonds," he said.

## Banking on the Wages of Sin

By Ann Brocklehurst

WHEN times are tough, many consumers will put off buying big-ticket items like a house, a car or even a fridge, but, according to the founder of a new "fun fund," there are some things they won't give up. Burton D. Morgan, the man behind Morgan FunShares, Inc., says most people will continue to drink beer, chew gum and have sex regardless of the state of the economy.

Mr. Morgan is betting that shares of companies that sell items like beer, gum and condoms will perform better than average in the long term and that his \$4.3 million closed-end fund will reap the benefits. He describes the policy of the fund, which listed on NASDAQ last July, as investing in companies that produce "small-ticket, daily, habit-forming items."

The FunShares prospectus says that this includes tobacco, cosmetics and beverage makers as well as broadcasters, publishers and amusement parks. The fund has also targeted some not-so-amusing sectors such as disposable paper products since, as Mr. Morgan explained, people always need toilet paper.

Mr. Morgan came up with the fun fund idea after he made a killing with a family fund that contained only shares in RJR Nabisco, the tobacco company

that became the object of one of the fiercest takeover battles of the 1980s.

"This fellow Kravis paid a horrendous price and it became the most successful fund in the world," he claimed.

Inspired by his success, Mr. Morgan decided to continue investing in "sin," but changed the name to FunShares after John Templeton, the fund management guru, informed him that sin refers to the seven deadly sins. "That didn't fit what we had in mind," he said. "Our definition was what mother told you not to do."

Morgan FunShares' current holdings include the brewer Anheuser-Busch, the distiller Seagram, the tobacco company Philip Morris, Carter Wallace, maker of Trojan condoms, and Coca-Cola.

Mr. Morgan, a non-smoker who has the occasional cocktail, has no qualms about investing in stocks that "do-gooders" avoid. "You're either making money or helping the environment, but you don't do both at the same time," he said, adding that he sponsors a charitable

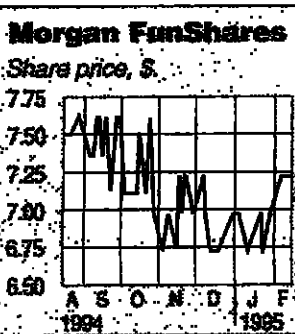
foundation. "When we make money, we make money."

According to Robert Pincus, vice-president of Maxus Securities Corp. of Cleveland, which has managed FunShares since it went public, Mr. Morgan's fund has had an annual return of nearly 12 percent since 1989 compared to 8 percent for the Standard & Poor's 500.

It also compares favorably to the Timothy Plan, a mutual fund for conservative Christians that takes its name from a passage in the First Book of Timothy in the New Testament. Timothy, which refuses to invest in firms that promote sex or violence and will not even buy the retailer K-mart because a book subsidiary sells Penthouse, dropped 4.2 percent in the three months to Nov. 30, while FunShares fell 3.7 percent, in line with the market.

Sex does not always pay, however. Mr. Morgan says an investment in Fredericks of Hollywood, makers of X-rated lingerie was a "mistake. We all made mistakes."

The fund prospectus also notes: "Because the industries in which the fund will invest



Source: Bloomberg

provide goods and services which are discretionary and non-essential, they are particularly susceptible to fads."

This makes them vulnerable "to the risk of greater than average market volatility." The prospectus also cautions that the shares should be considered illiquid without an established market.

Investors interested in joining the 350-odd current shareholders of FunShares might also want to note: the fund offices are located on Chagrin Boulevard in Cleveland.

## No. 1 OFFSHORE COMPANY SPECIALISTS

Professional, Personal, Full Accounting and Administration Services available at reasonable cost. All fees agreed with clients with no hidden extras.

- U.K. LTD £120
- U.K. PLC £500
- BAHAMAS \$500
- B.V.I. \$500
- DELAWARE \$250
- GIBRALTAR \$250
- HONG KONG \$350
- IRELAND £225
- ISLE OF MAN £250
- JERSEY £495
- PANAMA \$500
- MAURITIUS \$350

Offshore Status and Insurance Companies available to Qualified Applicants

For Immediate Services and over 100 pages Brochure call: RICHARD DODD, Esq. Offshore Company Registration Agents Ltd. Companies House, Ramsey, Isle of Man. Tel: 0031 815544 (24 hours) Fax: 0031 815548

PETER SHERIDAN Esq. 72 New Street, London, W1V 3DD Tel: 01 353 1035 Fax: 01 495 3017

Max. DANA BEAN 24 Raffles Place, 20-44 Collyer Quay, Singapore 0491 Tel: 5383881 Fax: 5383881

ANDREW WILKINSON, Solicitor 2402 Bank of America Tower, 15 Hudson Road, Central, Hong Kong Tel: (852) 3521172 Fax: (852) 5911190

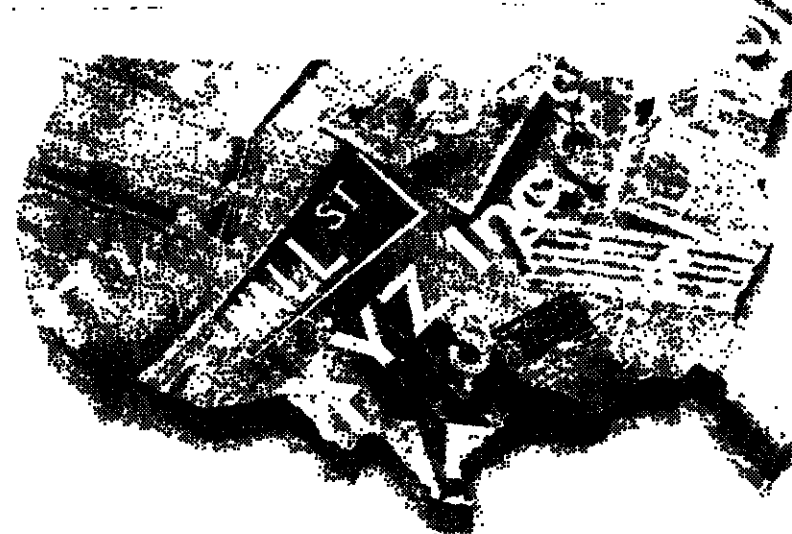
For Further Information, please contact Bill Mahler in Paris at (33-1) 46 37 93 78 or fax (33-1) 46 37 50 44.

INTERNATIONAL HERALD TRIBUNE

THE WORLD'S DAILY NEWSPAPER

TOLL FREE UK 0800 269500 USA 1 800 8234444 1 800 8234444

## BETTER SERVICE MAKES IT EASIER TO EXPAND YOUR PLAYING FIELD.



## TRADE UP TO CHARLES SCHWAB.

Charles Schwab is the largest discount broker in the U.S., with over 2 million customers and over \$100 billion in customer assets. Schwab now offers low-cost, convenient investment services to independent investors worldwide.

No matter where you are, you can place trade orders, get account information and receive confidential service from our experienced representatives 24 hours a day, seven days a week just by calling a special toll-free number. Your trades are confirmed quickly, often while you're still on the phone.

When you trade through Schwab, you can save up to 76% compared to what you'd pay a full-cost U.S. broker.\* We also offer the Schwab One International® Account,

specifically designed to meet the needs of international and expatriate investors. Your securities are protected by insurance coverage up to \$550 million. And with the Schwab International Visa® card, your funds are always within easy reach.

So if more services for less cost seems like a better way to invest, just call us or complete and return this coupon.

**Charles Schwab**  
For Today's International Investor

☒ Please send me more information on the Schwab One International® Account

Britain (Toll-free) ..... 0800 526027  
Germany (Toll-free) ..... 0130 81 74 65  
Elsewhere (To the U.K.) ..... 44-71-629-0585  
FAX: (To the U.K.) ..... 44-71-409-0799

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ Postal Code \_\_\_\_\_  
Country \_\_\_\_\_  
Daytime Phone \_\_\_\_\_

Charles Schwab Ltd.  
55 South Audley St.  
London W1V 5FA  
United Kingdom

This document has been issued by Charles Schwab & Co., Inc., and has been approved for distribution in the U.K. by Charles Schwab Limited, a member of the SFA. Charles Schwab & Co., Inc. is not authorised to carry on investment business in the U.K., which means that all or most of the protections provided by the United Kingdom regulatory system do not apply, including compensation under the U.K. Investors Compensation Scheme. Certain types of securities are not available to U.S. citizens or residents and may not be available to residents of certain countries. \*Based on a 1994 survey conducted by Schwab, available upon request. \$39 minimum commission. Commission rates surveyed are for stocks and may vary for other products. Certain types of securities offered by a prospectus cannot be sold at a discount from the commission or sales charges stated in the prospectus. Some services may not be offered by all companies surveyed. ©1994 Charles Schwab & Co., Inc. All rights reserved. Member SIPC/NYSE.

## PRIVATE BANKING (INTERNATIONAL)

## Invest your money in Denmark - choose between two types of accounts

## No. 1. Account

- On demand account, always access to your money
- High interest - monthly accrued
- VISA-card world wide - if you wish

USD 4,75%	GBP 5,00%
DEM 4,00%	ECU 4,75%
DKK 4,50%	ESB 7,125%

Rates for January 1995

## Fixed Term Deposits

- Fixed interest rate for a contract period
- Automatic renewal
- 19 different currencies also for No. 1 account

USD 6,625%	GBP 6,875%
DEM 4,875%	ECU 6,00%
DKK 5,00%	ESB 9,375%

Indication 12 months rates (10.01.1995)

## Jyske Bank Service

- Personal Account Manager
- Low costs
- No account fees
- No Danish taxes
- 30 years experience with foreign clients
- 150,000 shareholders
- Customers in more than 150 countries

## Please send in the Coupon

Name: Mr/Mrs/Miss/Ms \_\_\_\_\_  
Address \_\_\_\_\_  
Postal Code \_\_\_\_\_ City \_\_\_\_\_  
Country \_\_\_\_\_  
Tel. \_\_\_\_\_ Fax \_\_\_\_\_

Jyske Bank  
Private Banking  
(International)  
Vesterbrogade 9  
DK-1780 Copenhagen  
Denmark  
Tel. 0045 3378 7801  
Fax 0045 3378 7811  
402-404

JYSKE BANK

COPENHAGEN · LONDON · ZÜRICH · HAMBURG · LISBON · GIBRALTAR · FLENGRIOLA



**Feb. 17, 1995**

Net asset value quotations are supplied by the Funds listed with this exception at least weekly: (d) - daily; (w) - weekly; (bi) - bi-monthly; (f) - fortnightly (every two weeks); (r) - regularly; (l) - twice monthly; (m) - monthly.

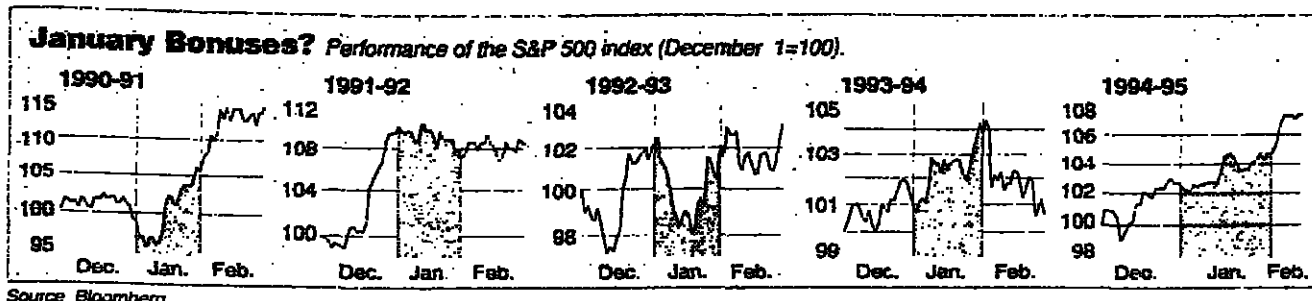
53.71	b P.T.F. Global Valve (Lux) — Ecu	143.7
	— P.T.F. Global (Lux) — Ecu	277.8

**Business**  
**Message**  
**Center**  
Every Wednesday  
Contact  
Philip Orma  
Tel.: (33 1)  
46 37 93 36  
Fax: (33 1)  
46 37 93 70  
or your nearest  
IHT office  
or representative

هكذا من الاصل



## THE MONEY REPORT



## January's Promise and the Curse of May

By Christine Stopp

Those who disregard stock market proverbs like "sell in May and go away, buy back on St. Leger's day" in the autumn should think again. There is statistical evidence to prove that some months — and even weeks and days — in the year have historically been better for your portfolio than others.

If you had started in 1919 with £1,000 (\$1,560) and invested it in the British stock market in the month of January only each year, your investment would have grown to £5,376 by 1993. A comparable investment in June only would have shrunk to 552 pence. It is not clear why this should be so, said David Schwartz, author and publisher of the Schwartz Stock Market Handbook 1995, but there is definitely a strong January effect in markets going back to just after World War I.

January is not the only month which does well for investors. The other auspicious months for putting money into the British market are April, August and December. Prices fell during April in only six years between 1940 and 1989, said Mr. Schwartz, who thinks it is "mind-boggling that any segment of the year should be so good."

In the 1990s, April may be undergoing a shift in fortune. In the past there has always been the stimulus of the new fiscal year, and the British government's budget package. Now that the budget has been moved to November, mixed April figures suggest that the effect has been diluted. The eagerness of the investing public to get in

during a strong period also tends to make the market bonanza shift earlier and earlier.

Yale Hirsch is the doyen of historical analysis in the United States. His Stock Trader's Almanac is now in its 29th year. In 1995, said Mr. Hirsch, two powerful trends help the investor: no year ending in the digit five has seen markets fall in eleven decades. Nor has any pre-election year since 1939.

The magic of years ending in five is inscrutable, but from 1885 to 1985 it never failed in U.S. markets. For reasons unknown, the eleven years ending in five over this period produced a total gain of 254 percent, compared to 179 percent in years ending in the digit eight and a dismal 42 percent in years ending in ten. Even more oddly, David Schwartz confirmed that the "five" effect works in the British stock market as well.

The Hirsch analyses put a lot of emphasis on the four-year U.S. presidential cycle. There is an obvious logic to the fact that third and fourth years of the cycle tend to do better than first

and second years — politicians try to get unpleasant business done first, and then nurture the economy prior to the election. Looking back to 1914, said Mr. Hirsch, the average gain from the bottom of the second year to the top of the third year market was 50.3 percent.

The U.S. market has a "January barometer." The market movement in January has predicted the whole year's outcome 80 percent of the time since 1934. This effect is also easy to understand since in January Congress convenes, the president makes the State of the Union address, and the annual budget is set.

More mysteriously, the Hirsch figures show, the January barometer has had a perfect predictive record in all odd-numbered years since 1939.

What of the "sell in May" theory? It is true that May and June have historically been the two worst months for British investors.

In any case you should not sell in the first week of May, which is usually good. July,

which has been "mediocre" for many decades, has begun to turn around in the last decade or so. This is another instance of "success breeds failure," according to Mr. Schwartz, as an established trend begins to deteriorate.

What do the trend analysts have to say about the last week of February? The Stock Trader's Almanac warns the U.S. investor of volatility with a skull and crossbones against dates when futures contracts expire.

The February picture in Britain also carries conflicting signs. The last week in February is usually better than the previous three but this year has seen two very good weeks at the start of the month.

Finally, what of the day-to-day effect on the stock markets? There is a difference in gains made between one day and another. In Britain, Wednesdays and Fridays were the best days to trade between 1935 and 1993. On both days prices rose 53 percent of the time on average, compared to only 44 percent on Mondays.

From June 1952 to April 1994 the same effect applied in the United States, with markets rising only 45 percent of the time on the first trading day, compared to 57 percent of the time on Fridays. But since 1990 Monday seems to have become the most powerful day of the week.

Schwartz Stock Market Handbook 1995. Price £10.45 (\$17). Details: Great Britain (44) 453 731 173. 1995 Stock Trader's Almanac. Price \$42 (overseas buyers). Details: United States (1) 201 767 4100.



## About Courage and Selling Those Losers

By Iain Jenkins

EVERY investor knows the agony of deciding whether to sell a stock that has fallen 20 percent below the purchase price. Will it bounce back? Or will it fall further? What to do?

Normally, investors do nothing. They justify their passivity by saying that eventually the price will recover. Often they should have sold.

The balance of academic evidence shows that the inability to sell at the right moment is due to deep-seated psychological factors. If these emotional influences could be understood and eliminated, the investor could dramatically improve the performance of their portfolio.

Many people dismiss the idea that psychology could affect decisions. They are convinced they respond rationally to fundamental economic information.

Yet how many times have you heard someone snap angrily when reading the stock listings: "This damn stock is driving me mad!"

Experiments carried out by Martin Weber, professor of banking and finance at Mannheim University, offer compelling statistical proof that investors have a psychological problem in selling stocks, particularly when they are sitting on a loss.

A group of students was given fictional stock in a selection of companies. The prices of these stocks were then randomly changed on 20 occasions and the students were encouraged to buy and sell.

Mr. Weber said: "We found that people who had made a profit were two times as likely to sell their stock than those who had made a loss. The results give an insight into the psychology of investing and suggest that people hold on to losers for too long and sell winners too soon."

"The results were statistically very significant and show just how unwilling people are to make a loss," added Mr. Weber.

Other experiments in the United States have broadly supported Mr. Weber's findings and show that people are twice as sensitive to losses as they are to gains. In investment terms it means that people need to make a profit of \$2,000 to compensate for a loss of \$1,000 to feel happy.

Robert Shiller, professor of economics at Yale University, provides a partial explanation: "People who refuse to sell when they have made a loss on a stock are trying to avoid regret. Realizing a loss brings on the regret. People will go to extraordinary lengths to avoid this even if it means taking even bigger risks."

After the 1987 crash, Mr. Shiller sent out a questionnaire to investors asking

them what they regretted the most. Overwhelmingly, people focused on one stock in their portfolio that had fallen particularly sharply. They felt strong emotions about this stock.

"Logically, what they should have regretted was being in the market at all," he said.

This phenomenon seems to apply even when a stock rises but then starts to fall. Rather than thinking that they have still made an absolute profit of 20 percent since buying the stock, there is a tendency on the part of investors to think that it has fallen 12 percent from its high.

Once again, a reluctance to sell creeps into calculations because investors are trying to avoid the regret of having missed the best opportunity to sell. Scientists call this phenomenon "reversing" because the investor has mentally changed the base of their calculation from the moment they bought the stock to the moment it peaked.

Richard Thaler, economics professor at the Massachusetts Institute of Technology, who has written a book on the psychological problems of selling stock called the "Winner's Curse," said: "It is a form of masochistic mental accounting. People change the base of their calculation."

"The only truly rational approach is to ignore history completely," said Mr. Thaler. "You have got to forget what has happened to the stock in the past and forget that it may be at a loss or that it may have been higher. The only thing that counts is the simple question: would you be willing to buy it now? If you wouldn't, then you should sell."

But this is easier said than done. Two tests set by scientists illustrate how difficult it is to "forget history" when it comes to making a decision in a practical everyday situation like going to the theater to see a play that costs \$20.

In the first example, you buy the theater ticket but then lose it five minutes later.

What would you do? Buy another ticket or go home and watch television? In the second example, you lose your wallet containing \$20 on the way to buy the theater ticket. Would you go to the bank and get some more money or again abandon plans to see the play?

The rational answer depends on how much you want to see the play. If you are a fanatical Shakespeare fan, you should buy another ticket in the first case and go to the bank to get some more money in the second. If you don't care too much about Macbeth, you will go home in both cases.

Anyone who did not answer in this way is probably letting psychological factors influence their decision. They should consider another investment technique that takes the psychological content out of investing. It involves setting strict rules on when to sell.

Max Bowser, who runs a successful penny stock newsletter called The Bowser Report in the United States, recommends this approach. He has set rules for his penny stock newsletter, which over the past ten years have helped turn a \$4,000 initial stake into \$40,000. His basic rule is that he sells half of his holding in a stock when it doubles in value and the rest when the stock falls 25 percent from its peak. If a stock falls immediately on purchase, he sells it when it has fallen 25 percent from its purchase price.

The targets in the Bowser formula are probably too high for the normal investor and have been set with the highly volatile world of penny stocks in mind, but the principle is sound. Other people sell when a stock falls 10 percent or 15 percent.

Anyone still not convinced by the importance of picking the right moment to "sell" should consider the comment of Lord Nathan Rothschild at the start of the century when asked by a journalist if he had a secret formula for making money. He replied: "Yes. I sell too soon."

## BRIEF CASE

## Guinness Flight Launches Conservative Mixed Fund

Guinness Flight Global Asset Management Limited is launching a new fund with a "conservatively managed portfolio of cash, bonds and equities."

The initial portfolio will be 45 percent invested in equities with 35 percent in bonds and the balance in cash.

The fund is denominated in dollars, domiciled offshore in the Channel Island of Guernsey, and offers a 1 percent discount of the initial charge of 5 percent for

investors committing money before the end of March. The minimum investment is \$7,500.

For more information, call Guinness Flight at Guernsey (44 1481) 712 176.

## Deposits in Guernsey Banks Continue Strong Growth

Bank deposits in Guernsey were up at the end of last year, according to the Island's financial authorities. Deposits grew 12.6 percent to the equivalent of more than \$65 billion.

IF YOU TOOK A LIKING to the Chillingham Toy Works and

were thinking of making a bid for it,

you could analyze 10 years' worth

of comparative transactions, conduct

some research into the global birth

rate between 1984 and 1989, commit

the corporate tax code to memory,

ask your friends to lend you a few

million dollars, and make Dodsworth

Brown a really fun offer.

## OR YOU COULD JUST TALK TO YOUR PRIVATE BANKER.

Your Citibank Private Banker is committed to thoroughly understanding you and your aspirations. And, to help you achieve them, only your Citibank Private Banker can draw on an incomparable combination of resources—the expertise and unmatched presence of the world's most global bank. In addition to investment, real estate and retirement advice, you have access to Citibank corporate finance specialists who apply the same rigorous process to an individual business purchase as to a Fortune 500® transaction. Once your purchase is completed, your Private Banker will continue to draw on the expertise of Citibank specialists to help you manage the life cycle of your investment—from growing the business to realizing the equity you've built. To further explore the rewards of a relationship with The Citibank Private Bank, please call: in London, Juliet Roadnight, 44-171-409-5978; in Paris, Gerald Salter, 33-1-4443-4550; in Geneva, Claudine Monnet, 41-22-317-5424; in Luxembourg, Ronald Schlessler, 352-45-1414-520.

THE CITIBANK PRIVATE BANK

CITIBANK®



## SPORTS

# Anderson Balks As Tigers Open Spring Training

Compiled by Our Staff From Dispatches  
**LAKELAND, Florida** — Sparky Anderson, the manager of the Detroit Tigers, was put on an unpaid leave of absence Friday because he refused to coach replacement players during the major league strike.

Anderson said he met Monday night with the Tigers' president, John McHale, and suggested he work with minor leaguers instead of replacement players. He said the fact the Tigers had rejected that idea, and put him on an unpaid leave, would not change his mind.

"There ain't no place in our game for replacement players," he said from his office.

The team's general manager, Joe Klein, said, "This is not the way I wanted to see this resolved."

He said Tom Rummels, hired last month as manager of the Class AAA Toledo Mud Hens, would be the interim manager. Anderson said he planned to leave Lakeland in the next few days to visit a daughter in San Francisco.

"One, I'm not retiring. Two, I am not quitting. Three, I will be back to manage the Detroit Tigers when regular players come back," he said.

"I'm not taking sides," he added. "It is not a decision for ownership or players. This is a decision for me."

Earlier, as replacement players made their first appearance, at the spring training camp of the New York Yankees, about a quarter of the approximately 1,100 striking major league players gathered at a hotel in Orlando to hear and discuss the threat Lenny Dykstra seemed to have posed to union solidarity.

The Philadelphia Phillies' feisty outfielder, in a television interview last week, had suggested that the players should "rethink our position, what's best for us." Some inferred that he was hinting he would consider going back to work in April even if the strike continued.

"It was like a Christian going into a lion's den," free agent outfielder Andy Van Slyke said. "And there were 400 lions with their fangs sticking out. I'm sure it was humbling for him."

Dykstra, reading from a prepared statement, apologized for publicly questioning the union's tactics. He then raised his concerns, was loudly answered, and by the time he sat down, was a loyal union man once again.

"There were a few guys wanted to charge him, but we listened to what he had to say," said the New York Mets' outfielder, Bobby Bonilla.

"Then, he listened to what we had to say. We made it loud and clear. Believe me, by the time he was done, he understood what this is all about."

When the nearly five-hour

meeting ended, Dykstra slipped away to avoid reporters.

Ken Oberkfell, one of the few replacement players with meaningful major league experience, has told the Philadelphia Phillies he will not report.

Oberkfell, a 16-year veteran who last played in the major leagues in 1992, told the team's general manager, Lee Thomas, "I just can't do it. If you have to sue me because of the contract, go ahead." The Record newspaper of Hackensack, New Jersey, reported Friday.

The Baltimore Orioles' camp in Sarasota was one of the quietest spots in Florida. The team's majority owner, Peter Angelos, has said he won't field a replacement team, and club sources said they won't even play any Grapefruit League games in Florida in which opponents use replacements.

They might play replacements if no admission is charged, the sources said, or might be willing to play their minor leaguers against other teams' nonreplacement minor leaguers. Otherwise, the Orioles would hold their minor league camp as usual.

League officials say the AL constitution requires Angelos to field a team during the regular season, and that they can suspend him, fine the club up to \$250,000 per game or take control of the franchise if Angelos won't relent.

All of which may end up in another legal fight.

The Blue Jays, prohibited by Ontario law from using strike-breaking workers in Toronto, are to begin workouts on Sunday, and have started making plans to play their regular season replacement "home" games at their spring training stadium in Dunedin, Florida.

But when workouts begin, their manager, Cito Gaston, and his coaches will be overseeing minor leaguers, the team's management having said that they shouldn't be forced to work with replacements.

The San Diego Padres' chief executive officer, Larry Lucchino, has said he may discuss a similar approach with his team's manager, Bruce Bochy, and his coaches.

(AP, NYT, WP, LAT)



Former major leaguer Julio Franco (center) worked out with his Japanese team, the Chiba Lotte Marines, in Arizona.

## Penguins (and Nordiques) Still Winning



Luc Robitaille reached back for the first of his four goals.

**The Associated Press**  
For most of the Pittsburgh Penguins' unstoppable streak through the early portion of the National Hockey League season, Luc Robitaille has been along for the ride.

This time, he did the driving, with Jaromir Jagr as navigator. Robitaille drove to the net, he drove slap shots into the net.

### NHL HIGHLIGHTS

and he drove the Hartford Whalers crazy with a four-goal game in Pittsburgh's 5-2 victory Thursday night.

Jagr assisted on all four of Robitaille's goals, to increase his points to a league-leading 28 on 13 goals and 15 assists.

The victory ran the Penguins' season-opening unbeaten streak to 13, matching the third-longest in NHL history and two short of the Edmonton Oilers' record 12-0-3 start in 1984-85.

The Penguins, however, still have not been able to shake the Quebec Nordiques, who stayed right on their heels by beating Philadelphia.

Robitaille had gotten just three goals in the first 12 games this season after being acquired from Los Angeles, but received

a new shipment of sticks this week, and that apparently made a big difference.

"I'm realizing that playing with these guys, all I've got to do is get open," Robitaille said after scoring 2:31 into the game, then at 2:50, 8:35 and 17:08 of the second period.

"You could see he got his confidence back when he scored," said Jagr. "I just said to him, 'Go to the net, go to the net.'"

**Nordiques 4, Flyers 2:** In Philadelphia, the Nordiques (12-1) stayed one point behind Pittsburgh in the Northeast as Owen Nolan scored twice. The Nordiques killed three power plays and have allowed only three goals on 53 opposition power plays this season.

Stephane Fiset stopped 38 shots for Quebec.

**Blackhawks 2, Flames 2:** Host Chicago rallied for the tie as Sergei Krivokrasov scored two power-play goals in the final 8:11 of regulation.

The Blackhawks thought they won on a goal by Brent Grieve with 1:15 left in overtime. But referee Don Van Massenhoven ruled Grieve intentionally directed the puck into the net with his skate.

## UCLA, on Rare Shot, Beats Arizona State

**The Associated Press**  
UCLA's lack of 3-point shooting may hurt it in the post-season, but for now the sixth-ranked Bruins are celebrating the one long-range shot that allowed them to beat No. 13 Arizona State.

Ed O'Bannon sank UCLA's only 3-point basket of the game midway through a 9-0 run that gave the Bruins a 7-point lead in overtime of their 82-77 Pacific-10 victory Thursday night.

It's not as if the Bruins are attempting 3-pointers and missing.

The Bruins took only four 3-point shots in the game. They're averaging 32 percent (32 of 98) from long-range in Pac-10 play.

"We're not concerned. We feel that we're capable of scoring inside and scoring outside," said forward Charles O'Bannon, who tied his career-high with 23 points and 11 rebounds. "If we don't make any 3-pointers, we can still win a ballgame. It'll come."

The victory ended Arizona State's five-game winning streak and kept UCLA atop the Pac-10 standings. On Sunday, the Bruins host No. 12 Arizona, still in second place after an 89-80 victory at Southern Cal on Thursday night.

The Sun Devils nearly pulled off an upset on the 3-point shooting of forward Ron Riley, who had 23 points before fouling out with 2:44 to go in regulation.

The Bruins effectively solved the problem of Mario Bennett's inside power in the first half by

double-teaming him and forcing the ball outside. But UCLA went to a smaller lineup in the second half, allowing the 6-foot-9 Bennett easy inside baskets. He finished with 21 points after being held to 4 in the first half.

Trailing by 66-63, Charles O'Bannon completed a three-point play with 52 seconds left to force overtime. The O'Ban-

### COLLEGE HIGHLIGHTS

non brothers scored 26 of UCLA's 34 points in the second half.

No. 2 N. Carolina 66, Clemson 39: Donald Williams scored 24 points as the Tar Heels extended their NCAA record 20-victory seasons to 25 straight, topped their home record against Clemson to 41-0 and moved one game in front of No. 7 Maryland and No. 16 Virginia in the league standings with four ACC games left.

Williams, who matched his season-high point total, sank six 3-pointers, with four of six in the first half.

Massachusetts 73, Duquesne 56: The No. 5 Minutemen were aided by the return of Marcus Camby, the 6-11 sophomore center hadn't played since Feb. 1, when he strained his left hamstring. He scored 11 points, while Lou Roe led UMass with 20.

But the school also announced that guard Mike Williams had been suspended indefinitely for breaking team rules.

## Wounded Cavaliers Just Won't Go Away

**The Associated Press**  
The Cleveland Cavaliers, despite their many injuries, just won't disappear.

They may have slipped out of the Central Division lead, but they keep hanging around, taking advantage of back-to-back losses by division-leading Charlotte since the All-Star break.

With All-Star forward Tyrone Hill the latest to be hurt, the Cavaliers pulled within half a game of the Hornets with a 106-85 victory over Milwaukee on Thursday night.

And despite an injury list that includes Brad Daugherty (back), leading scorer Mark Price (wrist) and Gerald Wilkins (torn Achilles' tendon), the Cavaliers, whose players have missed 124 games due to injury, improved to 30-19.

Chris Mills had 23 points and Bobby Phills 22. Terrell Brandon added 18 points and Michael Cage, Hill's replacement, got 11 points and 15 rebounds as the Cavaliers snapped a three-game road losing streak.

Mills, Phills and Brandon scored 31 points in a 45-17 spurt that buried the Bucks, while the entire team worked

the clock to perfection, hitting six buzzer-beating shots. One was Brandon's halfcourt bank shot at the end of the first quarter.

"They really make you play defense for 24 seconds," said

### NBA HIGHLIGHTS

the Bucks' coach, Mike Dunleavy.

**Rockets 105, Hornets 89:** Hakeem Olajuwon scored 29 points and grabbed 14 rebounds while Clyde Drexler, who had to wait a half, made his debut with Houston, finishing with 8 points, 5 rebounds, 2 assists and 2 turnovers.

Drexler, acquired Tuesday for Otis Thorpe, couldn't play for his new team until the third quarter in Charlotte because of a delay with the results of Thorpe's physical in Portland.

**Knicks 96, Heat 87:** Patrick Ewing got 13 of his 22 points in the decisive second quarter, outscoring the entire Miami team, which got only 11 points. Anthony Mason added 22 points and 14 rebounds for the visiting Knicks, who had lost three of their previous four.

## Have the Majors Found a New Way to Suit the Owners: Make the Kids Pay?

**The Associated Press**

**MELBOURNE, Florida** — If a Little League team wants to use uniforms bearing a major league nickname, it is going to have to use licensed products. And pay extra: \$6 more per uniform.

Major League Baseball Properties seems to be cracking down on Little League teams and amateur adult teams.

"We have to both make the kids happy so they can wear the uniform, but we have to protect the trademark

rights," said Ethan Orlinsky, a lawyer for MLB, the licensing arm of the 28 major league clubs. "You have to approve the quality. You can't have somebody just using the names because you have to have quality control."

But Rich Levin, major league baseball's chief spokesman, said Friday that MLB only charges licensing fees to manufacturers of the uniforms. The manufacturers may be passing on that charge to the Little League

teams, but we don't charge the teams for using uniforms with major league names," Levin said.

Earlier, Orlinsky had told Florida Today newspaper: "It's an uncontested patent. It doesn't matter if the names are block letters ironed on."

Major league baseball, he said, "owns the names of all teams when used in association with baseball."

He said the clubs did not want to prohibit the use of their names, they just insist on the use of licensed equip-

ment — for which they receive a fee. Little League teams not able to afford licensed goods, he said, should call his office in New York.

Jack Gibbs, 12, of Melbourne Beach, Florida, said he loved the Chicago White Sox so much that he voted to name his Little League team after them. Not now.

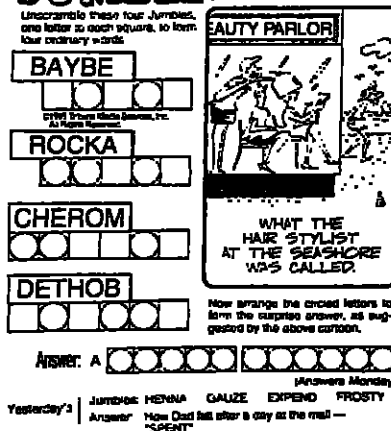
"It really stinks," he said. "First, they go on strike, and now they are trying to make money off little kids."

### DENNIS THE MENACE



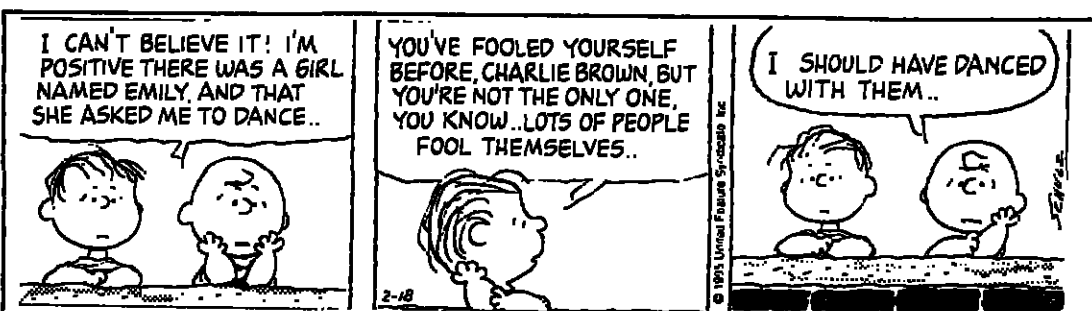
"It's easy to forgive Dennis, but it's impossible to forget him."

### JUMBLE



**Education Directory**  
Every Tuesday  
Contact Kimberly Guerrand-Betrancourt  
Tel.: (33 1) 46 37 94 76  
Fax: (33 1) 46 37 93 70  
or your nearest IHT office or representative

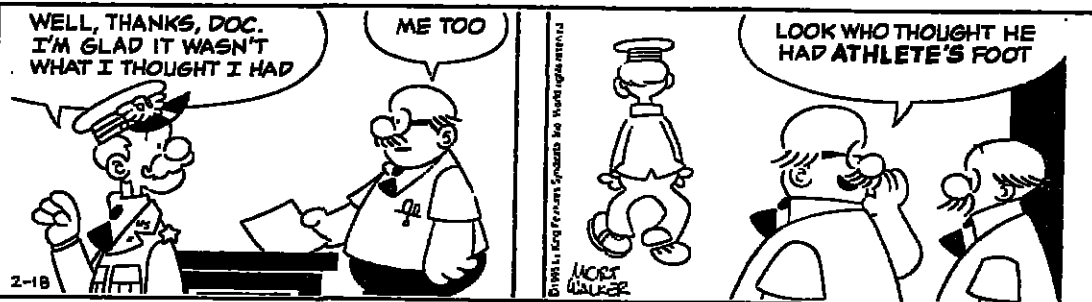
### PEANUTS



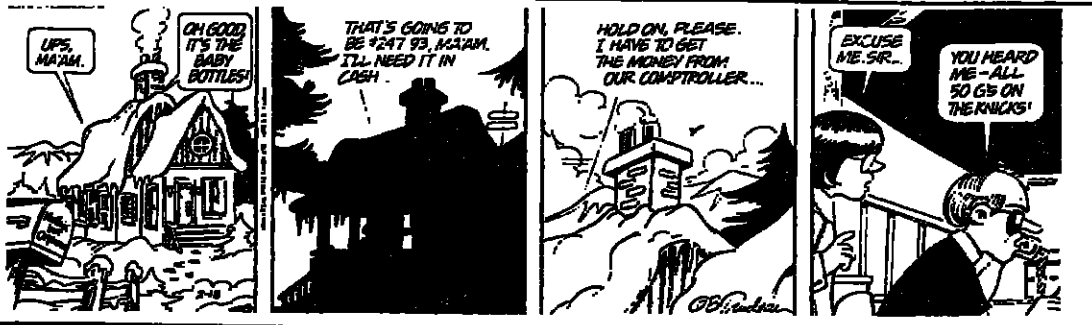
### GARFIELD



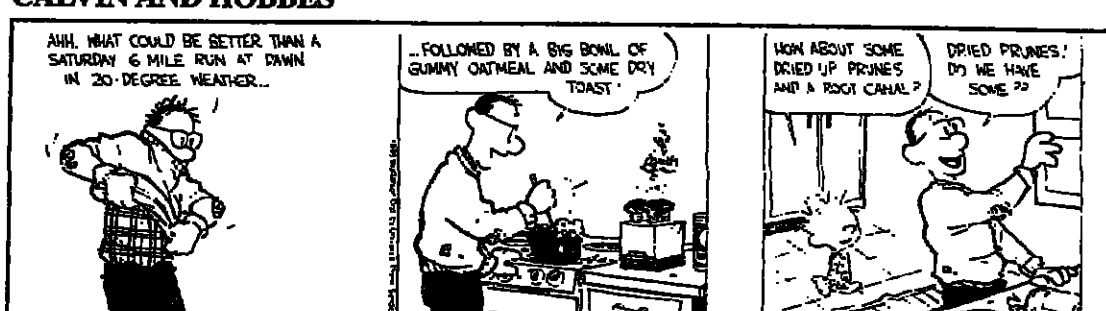
### BEETLE BAILEY



### DOONESBURY



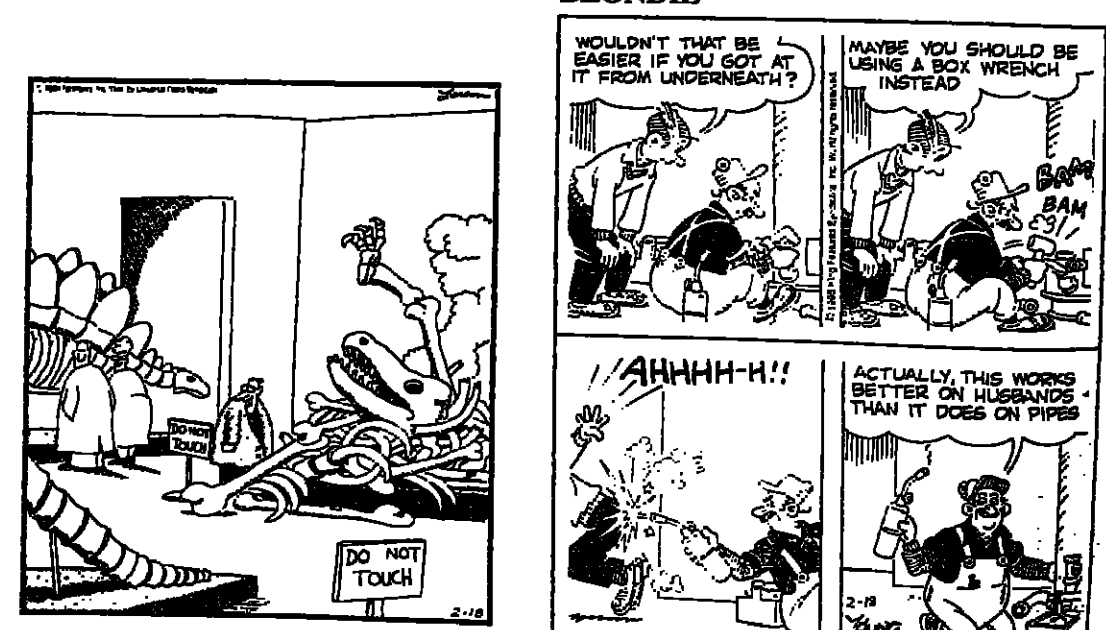
### CALVIN AND HOBBS



### WIZARD of ID



### THE FAR SIDE



### BLONDIE



سكرا من الاميل



سكنا من الارض

# Herald Tribune

## SPORTS

SATURDAY-SUNDAY, FEBRUARY 18-19, 1995

PAGE 19

### Callers 'Swamp' Soccer Hotline

**Compiled by Our Staff From Dispatches**  
LONDON — English soccer fans jammed a hotline Friday, eager to turn in those responsible for the riot in Dublin.  
"We've been swamped," said a spokesman for the Football Intelligence Unit, set up by British police to investigate hooliganism. He also said the unit had warned Irish police that several groups of right-wing troublemakers would be traveling to Dublin.  
A spokesman for the Irish police said on national radio that they had been expecting "perhaps 40 undesirables."  
Wimbledon defender Danny Jones admitted biting the nose of a Daily Mirror reporter, Ted Oliver, after the riot, but said it was a prank brought on by drinking champagne for breakfast at a Dublin hotel that morning.

## Hingis Seems to Be Playing Life and Tennis With Aplomb

**By Christopher Clarey**  
*Special to the Herald Tribune*  
PARIS — "It's just great how far she is already with her game," said Steffi Graf of the 14-year-old she had just played for the first time and beaten. "For her age, she is doing just great."  
Graf was not talking about Martina Hingis, the Swiss teenager she beat, 6-2, 6-3, in 61 minutes on Thursday, after she could have been. Graf made those comments nearly five years ago, after her fourth-round match with Jennifer Capriati at Wimbledon.  
In the wake of that 6-2, 6-4 defeat, in 59 minutes, Capriati arrived at the postmatch news conference wearing an MTV T-shirt and a thoroughly authentic grin.  
"Steffi was just great," Capriati said. "Now I know why they call it 'The Forehand.' It was just a bullet, and she moves so quick."  
After that snail day of discovery on Centre Court, Capriati proceeded to climb

as high as No. 6 in the world, burn out, drop off the tour and run afoul of the law before launching a comeback last November at the ripe old age of 18.  
Hingis, born in Czechoslovakia and now a Swiss citizen, knows all about Capriati. So does her mother and coach, Melanie Zogg, a former top Czech player. Long before Hingis turned professional last October, just two weeks after her 14th birthday, she and Zogg were being confronted with Capriati's cautionary tale on a regular basis.  
Daughter and mother says they are determined to avoid making the same mistakes, that they will take the long view and tip-toe through the minefield of big-business, big-money tennis without causing irreparable damage. To this end, Hingis rarely trains more than two hours daily and participates in several other activities, including skiing, horseback riding and, most important, school.  
No less a reference than Ivan Lendl, a father of four daughters who has known Zogg since childhood, has expressed confidence that she and Martina will succeed in skirting the precipice. But it was still difficult to not think of Capriati on Thursday night as Hingis gamely matched groundstrokes and wits with Graf for the first

**'I think she's definitely on the right track.'**  
Steffi Graf  
time in the quarterfinals of the Open Gaz de France.  
Difficult because of the smile that regularly flitted across Hingis's pale and delicate features after an entertaining rally. For Capriati, tennis was still a game at Wimbledon in 1990. For Hingis, it is still a game right now.  
"It was a lot of fun playing Steffi," she said. "I never played against anybody as good as that."  
But it would be a mistake to stretch the

Hingis-Capriati comparison too thin, and it was somewhat surprising when Graf said their games were "very similar." While Capriati at 14 was a physically precocious baseline slugger with a powerful first serve, Hingis is a slightly built tactician who has been taught to see tennis in the round.  
Capriati was so eager to get the ball in play that she hardly bothered to bounce it before serving. Hingis, a graceful and efficient mover, has the sort of poised Emily Post had in mind and a capacity to adjust her tactics. During the course of the match against Graf, she hit serves to all corners, came up with a winning drop shot, tried several approach shots and attempted to vary the placement, pace and spin of her groundstrokes and returns. She broke Graf twice.  
"You can't just play to her backhand; you have to have other ideas to vary your game," said Hingis, who once was compared by Switzerland's national women's coach, Roy Sjogren, to "a young Bobby Fischer playing chess."

The problem is that the taller, more powerful and more experienced Graf is still capable of latching onto the board with her aces and forehand winners.  
"As a mother, I wanted her to win," Zogg said. "As a coach, I knew she was not able to handle the pace yet."  
From the look of Hingis's best shot, her two-handed backhand, this adolescent who floats along the baseline may someday be able to stung like a bee. For the moment, she will have to settle for being ranked in the low 50s and listening to encouraging words from her elders.  
"I think she's definitely on the right track," Graf said. "I don't think I have to tell her much. She knows what she has to do from the baseline. She has to work on her serve, but I think she knows that. She just needs a couple more years of experience, and she'll have it."  
Capriati heard similar praise once. Hopefully, in a couple more years, Hingis will be able to live up to it. At 14, there is no need to be in a hurry.

### SCOREBOARD

NBA Standings			
EASTERN CONFERENCE			
Team	W	L	Pct.
Orlando	38	11	.776
New York	31	17	.646
Boston	29	17	.630
New Jersey	28	21	.571
Atlanta	26	23	.529
Philadelphia	25	24	.510
Washington	23	25	.479
CENTRAL DIVISION			
Charlotte	27	19	.587
Cleveland	26	19	.576
Indiana	26	20	.563
Chicago	25	21	.542
Atlanta	25	21	.542
Milwaukee	23	23	.500
Detroit	18	30	.375
WESTERN CONFERENCE			
Team	W	L	Pct.
Utah	31	14	.688
San Antonio	31	14	.688
Houston	31	14	.688
Denver	29	16	.646
Dallas	28	17	.619
Minnesota	27	18	.600
PACIFIC DIVISION			
Phoenix	27	18	.600
Salt Lake	26	19	.576
L.A. Lakers	26	19	.576
Sacramento	25	20	.556
Portland	25	20	.556
Golden State	24	21	.529
L.A. Clippers	24	21	.529
THURSDAY'S RESULTS			
Denver	27	20	101-95
New Jersey	28	21	101-95
Dallas	28	17	101-95
Atlanta	25	21	101-95
Charlotte	27	19	101-95
Cleveland	26	19	101-95
Indiana	26	20	101-95
Chicago	25	21	101-95
Atlanta	25	21	101-95
Milwaukee	23	23	101-95
Detroit	18	30	101-95
Phoenix	27	18	101-95
Salt Lake	26	19	101-95
L.A. Lakers	26	19	101-95
Sacramento	25	20	101-95
Portland	25	20	101-95
Golden State	24	21	101-95
L.A. Clippers	24	21	101-95

### Top 25 College Results

Now the top 25 teams in The Associated Press' men's college basketball poll faced Thursday's action. In the 10-10 tie, Duke defeated North Carolina 77-70. In the 10-10 tie, Duke defeated North Carolina 77-70. In the 10-10 tie, Duke defeated North Carolina 77-70.



Picabo Street sailed past a gate and down the slope at Are, Sweden, for her third World Cup downhill victory this season.

## Street Wins Downhill By Edging Seizinger

**Compiled by Our Staff From Dispatches**  
ARE, Sweden — Picabo Street of the United States beat Katja Seizinger of Germany by 41 hundredths of a second Friday to win a women's World Cup downhill race.  
Street flashed down the Olympia course, shortened to 1,801 meters because of a heavy snowfall in the past week, in 1 minute, 9.11 seconds. It was the third downhill victory of the season for the 22-year-old Olympic silver medalist.  
Confirmation of the results was delayed for 15 minutes until Catherine Lussier of Canada had run her leg after coming within inches of crashing into two members of a ski patrol.  
Street said she dedicated the victory to Swedish slalom star Thomas Fogdö, who was seriously injured in an accident while training in this northern Swedish resort last week.  
"Anyone who has a heart in their body must feel very much for him. I skied for Tomas today," she said.  
Femina Wiberg of Sweden, the Olympic combined champion, was taken from the down-

### SIDELINES

**Henning Leads Els by 1 Shot in Golf**  
JOHANNESBURG (Reuters) — Nic Henning, the rookie of the year in the 1992-93 South African season, shot 4-under-par 66 Friday to lead Ernie Els by a stroke at the halfway point of the South African PGA.  
Is shot 71, and was a stroke ahead of overnight leader Wayne Westner of South Africa, who ballooned to 75, and England's Van Phillips and Namibia's Trevor Dadds. They both shot 71 in the European PGA event.  
Harry Taylor, 40, a qualifying school veteran, shot 8-under-par 64 for a three-shot lead over Tommy Armour and Chris Perry in the Bob Hope Classic in Indian Wells, California. (AP)  
**Rugby Pay Approved in Australia**  
SYDNEY (AP) — The Australian Rugby Football Union took another step toward semiprofessionalism Friday when it ratified agreements enabling players to earn up to \$60,000 a year.  
"This earning capacity is solely related to the players' off-field activities," the ARFU said in a statement. "The agreements will clearly outline to the players their responsibilities to the union and its sponsors."

### For the Record

Akam Okeke, the sprinter who tested positive for steroids in the United States, was banned for a 3-month period by the Norwegian Sports Federation; the IAAF, whose rules call for a 4-year ban, called it "an open defiance" of its regulations. (AP)  
America's Cup racing was abandoned the wind stopped midway into the second matches of the third round. (AP)  
Mats Wilander, the first European to play for the Montreal Canadiens, is returning to the NHL at age 35, having signed with the Boston Bruins. (AP)  
Cheonghe Hagi has torn a muscle in his left leg during training and may be out of action for a month, his Barcelona soccer club said. (Reuters)

### Quotable

Charles Barkley of the Phoenix Suns commenting on the NBA West All-Stars starting backcourt of Dan Majerle and Latrell Sprewell: "Hey, I've never been on a team where I can dribble better than both the guards."

### TWOVERS by Alfio Micci

ACROSS

1 Auto's high and low

8 Just — (not much)

10 Biographer's item

14 Work period

19 — in the right direction

20 Reply to the Little Red Hen

21 N.F.L. kicker

22 Novelist

23 Where accommodations might give trouble

25 Half of a pop duo

27 Unlearned

28 Ruth's land, in the Bible

30 Applauded

31 Like some hair

32 Wall Street worker, for short

35 Like "sequoia," letterwise

38 Charles Perrault tale

40 Off yonder

44 — it? (golfish cry)

45 Actress Turner

46 — jargon

47 Home of the oldest university in the Americas

48 Big Test's State

49 Dirty digs

50 Ancient monument

52 Time to attack

53 Blemishes

54 Moving packs

57 Baller bend

58 Rome's —

59 Super

60 Addict

61 Part of an inning

62 Coiffures

64 Champ

67 Yuks

68 Counting method

70 Blank spaces

72 Kind of mitt

74 Stand

77 Virgin, in a way

79 Lacinate

80 Smeared

81 Big name in cosmetics

83 Kind of person

84 Throw for —

86 Treatment

87 One with no standing?

88 Marketer's start

89 Drama critic

90 Some dives

94 Front lines

96 — witch hunt

98 French rocket

99 End piece

100 Whip up

104 Res — loquiter

106 Get ready for dinner?

109 Turkey filling

111 Noted English diarist

113 Saw

114 Domestic slave

115 Murder

116 Princess's need

117 Six Felipe's

118 It's an imposition

119 Chip, maybe

120 Veers

### HOCKEY

NHL Standings			
EASTERN CONFERENCE			
Team	W	L	Pct.
N.Y. Rangers	24	14	.630
Philadelphia	23	15	.606
Pittsburgh	22	16	.577
Washington	21	17	.556
Montreal	20	18	.526
Ottawa	19	19	.500
Quebec	18	20	.476
St. Louis	17	21	.447
St. Joseph	16	22	.418
Calgary	15	23	.394
Edmonton	14	24	.365
Winnipeg	13	25	.336
San Jose	12	26	.307
Los Angeles	11	27	.278
Anaheim	10	28	.250
Vancouver	9	29	.221
PACIFIC DIVISION			
San Jose	24	14	.630
Los Angeles	23	15	.606
Anaheim	22	16	.577
Winnipeg	21	17	.556
Montreal	20	18	.526
Ottawa	19	19	.500
Quebec	18	20	.476
St. Louis	17	21	.447
St. Joseph	16	22	.418
Calgary	15	23	.394
Edmonton	14	24	.365
Winnipeg	13	25	.336
San Jose	12	26	.307
Los Angeles	11	27	.278
Anaheim	10	28	.250
Vancouver	9	29	.221

### BASEBALL

PACIFIC DIVISION			
Team	W	L	Pct.
San Jose	24	14	.630
Los Angeles	23	15	.606
Anaheim	22	16	.577
Winnipeg	21	17	.556
Montreal	20	18	.526
Ottawa	19	19	.500
Quebec	18	20	.476
St. Louis	17	21	.447
St. Joseph	16	22	.418
Calgary	15	23	.394
Edmonton	14	24	.365
Winnipeg	13	25	.336
San Jose	12	26	.307
Los Angeles	11	27	.278
Anaheim	10	28	.250
Vancouver	9	29	.221

### FOOTBALL

PACIFIC DIVISION			
Team	W	L	Pct.
San Jose	24	14	.630
Los Angeles	23	15	.606
Anaheim	22	16	.577
Winnipeg	21	17	.556
Montreal	20	18	.526
Ottawa	19	19	.500
Quebec	18	20	.476
St. Louis	17	21	.447
St. Joseph	16	22	.418
Calgary	15	23	.394
Edmonton	14	24	.365
Winnipeg	13	25	.336
San Jose	12	26	.307
Los Angeles	11	27	.278
Anaheim	10	28	.250
Vancouver	9	29	.221

### SKATING

PACIFIC DIVISION			
Team	W	L	Pct.
San Jose	24	14	.630
Los Angeles	23	15	.606
Anaheim	22	16	.577
Winnipeg	21	17	.556
Montreal	20	18	.526
Ottawa	19	19	.500
Quebec	18	20	.476
St. Louis	17	21	.447
St. Joseph	16	22	.418
Calgary	15	23	.394
Edmonton	14	24	.365
Winnipeg	13	25	.336
San Jose	12	26	.307
Los Angeles	11	27	.278
Anaheim	10	28	.250
Vancouver	9	29	.221

INTERDEAN INTERNATIONAL MOVERS

FOR A FREE ESTIMATE CALL

PARIS (1) 39201400

ESCORTS & GUIDES

BELGRAVIA ORCHIDS

LONDON PARIS GENEVA ZURICH

UK 071 589 5237

ELITE Escort Service

NEW YORK CITY

1-800-464-6667

TO OUR READERS IN FRANCE

It's never been easier to subscribe and save with our new toll free service.

Just call us today at 05 437 437.

INTERNATIONAL CLASSIFIED

(Continued From Page 13)

GENEVA BASEL

PARIS

AMSTERDAM

BRUSSELS

FRANKFURT

MUNICH

STUTTGART

ZURICH



DAVE BARRY

## Don't Move! You're Dead

**MIAMI** — My advice to you, if you ever get invited to play the part of a corpse in an opera, is: Ask questions. Here are some that I would suggest:

1. Does the plot of this opera call for the corpse to get shoved halfway off a bed headfirst by people shrieking in Italian?

2. If so, is this corpse wearing a nightgown-style garment that could easily get bunched up around the corpse's head if the corpse finds itself in an inverted position with its legs sticking up in the air on a brightly lit stage in front of hundreds of people whom the corpse does not personally know?

3. If so, what, if any, provisions will be made to prevent a public viewing of the corpse's butt?

Fool that I am, I failed to ask these questions when I was invited to be a deceased person in an opera. This invitation resulted from a column I wrote concerning an animal in a Denmark zoo that died from stress brought on by hearing opera singers rehearse. I concluded that opera is probably fatal and should be banned, just like heroin, or aspirin bottles with lids that can actually be opened.

This column generated a large amount of mail from irate opera lovers who:

1. Pointed out that they are far more sophisticated, urbane and cultured than I am, and . . .

2. Used some really dirty words.

(Here is an actual quote from one of these letters, slightly modified for the family newspaper audience: "Così Fan Tutte is Italian and not Spanish, you sock plucker. Duck shoe.")

But I also got a very nice letter from Janice Mackey, general manager of Eugene Opera in Eugene, Oregon (civic motto: "Eventually You Stop Noticing the Rain"). She invited me to play a corpse in Eugene Opera's performance of "Gianni Schicchi," a work by the famous opera dude Puccini, who I believe also wrote the 1966 Tommy James hit "Hanky Panky."

Eugene is in western Oregon, approximately 278 billion miles from anything. To get there, you have to take a series of "commuter" airplanes, each one smaller than the last, until finally there isn't room for both you and the pilot, and you have to fly yourself.

But Eugene Opera turned out to be a very professional outfit featuring bar-

tones, sopranos, bassoons, tremors, mezzanines etc. I attended a brief rehearsal, during which the professional opera singers practiced shoving me off the bed and gave me invaluable dramatic tips on playing dead ("Don't move"). They also filled me in on the plot of "Gianni Schicchi," which involves a wealthy 13th-century Florentine named Buoso di Donati, who is pursued by a seemingly indestructible android from the future.

No, wait, that's the plot of "Terminator II." The plot of "Gianni Schicchi" is that Buoso is dead, and a bunch of people sing very loudly about this in Italian for 45 minutes of opera time, which, for a normal human, works out to roughly a month. I spent most of this time lying still on the bed with my mouth open. This turns out to be very difficult. You develop overpowering urges to swallow, twitch, scratch, bury, emit vapors and — above all — lick your lips. You find yourself abandoning all concerns about hygiene and praying that Puccini was thoughtful enough to include a part in "Gianni Schicchi" where the singers decide, for whatever reason, to lick the corpse's lips.

But this is not what happens. What happens is that the singers, while searching for Buoso's will, shove the corpse off the bed, the result being that I had to hold perfectly still while upside-down, with my face smashed into a low footstool and my legs in the air, through several arias ("aria" is Italian for "song" that will not end in your lifetime"). Fortunately, under my nightgown I was wearing tights, so the audience was never directly exposed to my butt.

Finally the singers put the corpse back up on the bed, so for the rest of the opera I could just lie there thinking explicit bodily thoughts. At times I also listened to the music, and I was deeply moved by the part when a stagehand crept up, unseen, behind my bed and whispered, "Dolphins 21, Chargers 8." He was updating me on an important NFL playoff game in which I had a strong artistic interest. And although the Dolphins ultimately lost, I definitely enjoyed performing in "Gianni Schicchi" and did not find the experience to be the least bit fatal, so I sincerely apologize to all the opera fans I offended.

Except for the gas poles who wrote the nasty letters.

Knight-Ridder Newspapers

## British Sex Through the Ages: The Book

International Herald Tribune

**T**WO statements about the British and sex have been so often quoted that they have assumed the mantle of truth: "Continental people have sex life; the English have hot water bottles," the Hungarian-born George Miks claimed in the 1950s, and the poet Philip Larkin said that sexual intercourse began in 1963.

If Larkin was correct, his compatriots have caught up in the last 30 years judging from the pages of Valentine messages

MARY BLUME

printed in this week's newspapers, but still Roy Porter and Lesley Hall in a new book called "The Facts of Life" find specificity in British sexual knowledge: the view of sex as something both sacred and prurient; the suggestion that foreigners, especially the French and Americans, have looser morals; and the fact that in Britain sexuality has long been the field of the eccentric amateur.

Porter and Hall's book, published by Yale University Press, is subtitled "The Creation of Sexual Knowledge in Britain, 1650-1950" and thus avoids discussion of recent excesses and AIDS-inspired dread. Its aim is to provide the first scholarly study of English-language books on sexual knowledge and guidance based on the most-read books in the field.

The first best-seller was "Aristotle's Master-Piece," which owed nothing to Aristotle except perhaps a borrowed respectability. It was first published in 1684 and continued to appear in this century, each edition reflecting contemporary habits and fears.

The book's theme was procreation, not performance, but good performance increased the likelihood of conception and so enjoyment for both sexes was emphasized and a glass or two of wine recommended. Women were seen as no less libidinous than men and sex was tainted neither by sin nor by a secretly driven psyche. It was simply an agency of nature.

"Aristotle" recommends marrying young because sexual abstinence is unhealthy, but promiscuity is not prescribed. If the woman lay on her right side she would have a boy because boys are engendered on the right side of the womb. To see if she was pregnant she could put a needle overnight in a glass of urine: Red spots would show she had conceived, blackish ones that she had failed.

Nicolas Venette's "Tableau de l'amour"



Nicholas Andriotti

conjugal," published in France two years after "Aristotle's Master-Piece," came out in more than 100 editions going well into this century and was translated in Britain in 1703. Its theme was similar but its tone and language more sophisticated. As a physician and the father of 12 Venette put no stock in "Aristotle's" pregnancy test. If he held to the common view that infertility was the woman's fault, he was compassionate enough to state that there was no reliable paternity test and that a ruptured hymen was not proof of prior sexual experience (he even suggested how to fake maidenly bleeding if necessary).

By the late 18th century Venette's book had been expurgated in England; its tone changed from generous confidence to something more high-toned and less practical. It was the beginning of the new anti-sensuality and guilt. Later, a Victorian edition of "Aristotle" no longer contained plain discussion of sex, the anatomy of the genital organs was not explained, words of warning were added.

Such changes are the focus of Porter and Hall's study. In the Enlightenment sexual pleasure was regarded as healthy; by the Romantic period such sensuality was seen as gross and materialistic, the

pursuit of pleasure suspect. At about this time the English had become notorious as a nation that derived sexual pleasure from beating.

The Evangelical movement, buttressed by the Regency court's lewd public behavior, emphasized civic probity and moral law. In 1798 Malthus had publicized the threat of overpopulation, so procreation was no longer a wish or an excuse. Self-improvement and restraint were recommended.

The first major book condemning onanism appeared in 1710, followed by so many others that it seems possible that Grub Street, in the guise of fearful warnings, was publishing users' guides. In 1802 Thomas Beddoes wrote a book condemning sentimental novels as leading to the sin of masturbation but his message was deflected by his genteel habit of breaking into French or Latin when the subject matter became too strong.

Quacks proliferated in this atmosphere of ignorance and fear, among them Dr. James Graham and his Celestial Bed, 12 by 9 feet in size, heavily decorated, surrounded by ornate artworks, mysterious magnets and the power to ensure fertility. It was available at £50 a night.

Graham promoted vegetarianism and clean living and promised his followers they would live to the age of 150 (he died at 49). Like many others, he considered masturbation the evil of evils, an enduring obsession that Porter and Hall attribute to a new emphasis on the family, which caused a fear of child sexuality, and to the bourgeois-capitalist ethic of saving and avoiding, or deferring, spending.

Things could only get worse, and they did. Female sensuality was thought unseemly, nonexistent or threatening in Victorian times; in men it was to be held in check. Pornography and prostitution flourished. Venereal disease was stigmatized as a moral lapse, which meant it was neither properly studied nor treated (most voluntary and teaching hospitals banned patients with VD). Then in 1871 Darwin's writings on the importance of sexual reproduction to the evolutionary process opened the way for sex to become a field of scientific study.

Havelock Ellis, who entered his specialty after a mystical experience in Australia, became the new authority, his daring acceptable because of his scientific credentials and what Rebecca West called his delicate rectory English. "Married Love" by Marie Stopes was a huge success from publication in 1918 (she sent a copy to Queen Mary and later suggested to Noël Coward that she rewrite his play "The Vortex" to give it a happy ending). The amount of mail she received testified to the ignorance and fears of her readers.

The next wave consisted of sex surveys, although sexual autonomy seems about as useful as a Celestial Bed, and the sex guides, which brought with them a new anxiety: not only getting it but getting it right.

The book ends in 1950, 13 years before, in Larkin's words, sex began. This week's two pages of Valentines in The Times included winsome messages to Bubsy, Buggalugs, Floppy, Kissy-Face, Lambcake, Wuggles and Wump, and one from a male admirer to "the sauciest boy at UEA law school."

In France, where commerce in Valentines is relatively recent, the tabloid Libération had a 16-page section filled with poetic rhetoric that Dr. Venette would have approved.

In Paris, the fanciest patisserie offered a Valentine cake designed by Christian Lacroix. In London one could buy a heart-shaped mousse at Harrods made from cauliflower and leek.

## WEATHER

Forecast for Sunday through Tuesday, as provided by Accu-Weather.

Europe	Today	High	Low	Temp	Wind	Humid	W
Algeria	18/54	9/48	19/55	12/53	W	100	W
Amsterdam	9/48	6/42	10/48	6/42	W	100	W
Athens	7/44	0/32	9/48	4/32	W	100	W
Berlin	15/59	9/48	13/55	8/46	W	100	W
Barcelona	14/52	5/41	17/52	11/52	W	100	W
Birmingham	6/43	0/32	7/37	3/37	W	100	W
Bombay	5/41	1/34	4/59	1/54	W	100	W
Boston	9/48	6/43	8/46	4/39	W	100	W
Budapest	3/37	-2/29	3/37	2/29	W	100	W
Copenhagen	3/37	-2/29	4/38	1/31	W	100	W
Costa Rica	18/54	9/48	18/54	12/53	W	100	W
Dublin	7/44	6/43	8/46	2/34	W	100	W
Edinburgh	7/44	6/43	8/46	4/39	W	100	W
Frankfurt	11/52	1/34	12/53	9/46	W	100	W
Geneva	4/39	-2/29	4/38	0/32	W	100	W
Helsinki	7/44	2/35	8/46	4/39	W	100	W
Istanbul	-2/29	-3/37	1/31	-2/29	W	100	W
London	13/55	4/39	12/53	3/37	W	100	W
Los Angeles	24/75	16/61	25/77	18/64	W	100	W
Lyon	15/52	8/46	17/52	11/52	W	100	W
Moscow	10/48	3/37	12/53	9/46	W	100	W
Munich	18/54	7/44	18/54	7/44	W	100	W
New York	10/48	3/37	12/53	9/46	W	100	W
Paris	12/53	7/44	16/61	12/53	W	100	W
Prague	12/53	5/41	14/57	7/44	W	100	W
Rangoon	15/52	8/46	17/52	11/52	W	100	W
Reykjavik	2/29	-1/31	2/29	3/37	W	100	W
Rome	15/52	8/46	17/52	11/52	W	100	W
San Francisco	-4/39	-6/43	1/31	-3/37	W	100	W
Stockholm	1/31	-5/41	2/29	0/32	W	100	W
Switzerland	1/31	-5/41	2/29	0/32	W	100	W
Taipei	15/52	8/46	17/52	11/52	W	100	W
Tokyo	15/52	8/46	17/52	11/52	W	100	W
Warsaw	15/52	8/46	17/52	11/52	W	100	W
Washington	15/52	8/46	17/52	11/52	W	100	W
Yokohama	15/52	8/46	17/52	11/52	W	100	W

**North America**  
New York and Washington D.C. will be mid Sunday with perhaps a shower or two, then dry and cooler Monday. Flurries are possible Tuesday. Toronto will have drizzle Sunday and snow Tuesday. Chicago will have flurries Monday. Los Angeles may have showers by Tuesday.

	Today	High	Low	Temp	Wind	Humid	W
Abu Dhabi	24/75	19/66	25/79	18/64	W	100	W
Algiers	17/52	11/52	18/64	12/53	W	100	W
Amman	18/61	11/52	20/68	10/50	W	100	W
Damascus	11/52	6/43	14/57	6/43	W	100	W
Jerusalem	13/55	6/43	15/59	6/43	W	100	W
London	15/52	7/44	16/61	7/44	W	100	W
Madrid	24/75	11/52	20/68	11/52	W	100	W

**Europe**  
Showers will arrive in London on Sunday and rain will fall much of Monday. A few showers may impact on Tuesday. Paris will have dry weather Sunday and Monday, then a chance of showers Tuesday. Rome will have dry weather through the period; it will be windy on Sunday.

	Today	High	Low	Temp	Wind	Humid	W
Algiers	17/52	11/52	18/64	12/53	W	100	W
Cape Town	28/82	18/66	25/79	18/64	W	100	W
Casablanca	19/68	9/46	22/71	11/52	W	100	W
Hamm	19/68	6/43	22/70	9/46	W	100	W
Lagos	32/90	24/75	33/97	24/75	W	100	W
Nairobi	24/75	11/52	20/68	11/52	W	100	W
Tunis	21/70	11/52	20/68	11/52	W	100	W

**Asia**  
Japan and Korea will be hot and generally dry from Sunday through Tuesday, except for showers in northern Japan. There will be frequent showers from Taiwan to Vietnam. Hong Kong and Singapore, including Hong Kong, will be very humid with a thunderstorm or two.

	Today	High	Low	Temp	Wind	Humid	W
Abu Dhabi	24/75	19/66	25/79	18/64	W	100	W
Algiers	17/52	11/52	18/64	12/53	W	100	W
Amman	18/61	11/52	20/68	10/50	W	100	W
Damascus	11/52	6/43	14/57	6/43	W	100	W
Jerusalem	13/55	6/43	15/59	6/43	W	100	W
London	15/52	7/44	16/61	7/44	W	100	W
Madrid	24/75	11/52	20/68	11/52	W	100	W

Legend: s=sunny, p=partly cloudy, c=cloudy, sh=showers, i=intermittent rain, a=across, w=west, h=high, n=now, N=North, W=Weather. All temps, forecasts and data provided by Accu-Weather, Inc.